Anderson: The Federal Bulldozer

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The Federal Bulldozer is the first full-scale evaluation of government subsidized surgery on our decaying cities since urban redevelopment was initiated on a large scale fifteen years ago. Inasmuch as it was published under the auspices of the Joint Center for Urban Studies of M.I.T. and Harvard, it was anticipated that the volume would be an objective and scholarly study. Unfortunately it is not. Instead it is a strongly partisan account, if not a polemic, an unbalanced tirade against the entire federal program. Even the cover photograph on the dust-jacket is inaccurate: it shows not a bulldozer, but a front-end loader type of earth-mover. This slanted type of misrepresentation is symbolic of a consistent leitmotif of half-truths throughout the volume.

The author is now Assistant Professor of Finance at the Columbia University Graduate School of Business. He graduated summa cum laude from Dartmouth College, received an M.S. in Engineering and Business Administration from the Thayer School of Engineering and the Tuck School of Business Administration, and was awarded a Ph.D. in Industrial Management from M.I.T. He has been a financial analyst with the Ford Motor Company, and a faculty member of the Graduate Engineering School at Dartmouth. In 1961-1962, Anderson was a Research Fellow at the Joint Center for Urban Studies of the Massachusetts Institute of Technology and Harvard University. The major part of The Federal Bulldozer was completed under a research grant while he held this post, and the material was presented as his doctoral dissertation. It should be stressed that Anderson came to the fields of urban problems and municipal government with no work exposure whatsoever, and there is no evidence in the fourteen chapters of the book that his research ever moved out into the field. Local officials, leading citizens and businessmen, who have long supported the urban renewal program, were not on his interview schedule.

Anderson believes that the whole federal urban renewal program lacks a legal base, and he thumbs back in history to William Pitt to support his contention. (p. 184.) This is a rather extreme view, especially since the United States Supreme Court has ruled favorably on the program.1 In his conclusion, Anderson states that "the constitutionality of the federal urban renewal program is still an open issue, and a strong case can be made that it is not constitutional." (p. 223.) The issue exists only in Anderson's notion of jurisprudence. The "federal urban renewal program" is his way of referring to the tests of the constitutionality of state slum clearance enabling legislation. The author does not state that such laws have been upheld by the highest courts of thirty-six states.2 Anderson concludes that "it is possible

2 The District of Columbia Law was upheld in Berman v. Parker, supra note 1.
BOOK REVIEWS

that a future ruling of the Supreme Court may change this, but his analysis fails to bring out that the Court reaffirmed its 1954 decision in 1957.

Basic to Anderson's discussion is his deep fear of the effect of federal controls, namely, that in the end the grantor takes over the actual program, thus diminishing the significance of the grantee. We agree that it is not inconceivable that this could happen, but Anderson offers no evidence for believing that it has. On the contrary, a case can be made for the proposition that the use of grants has sustained and strengthened the states and localities because their range of activities could not possibly have been so extensive if they had to rely solely on their own funds; hence, federal activities have made local controls more meaningful. The minimal conditions demanded have frequently improved rather than hurt the state and local governments, for, given the federal laws requiring detailed record-keeping, potential corruption could be minimized and waste reduced.

Anderson overlooks the inescapable fact that federal agencies have not done all that they might accomplish legally to demand compliance. Powers of agencies have been used very little to bring about compliance. The Urban Renewal Administration has often been quite vexing to local officials about the dotting of "i's" and the crossing of "t's" in completing the multitude of required forms. The U.R.A. has also closely second-checked the sensitive financial negotiations for property acquisition, which are usually invitations to corruption. However, without doubt, federal urban renewal officials have been most lenient in enforcing all seven items of the "workable program," which is a mandatory part of an application for federal aid. Although regulations call for definite plans to relocate the dispossessed, the Urban Renewal Administration has not demanded compliance in most cities. The federal government should not be criticized for extending its activities, if it is concomitantly admonished for being too lenient in enforcing compliance to existing laws. It is obvious that the staff of the Urban Renewal Administration is hesitant to make too rigorous demands on localities, since the federal government desires to keep urban renewal operating at a fast pace and to bring about further demand for program expansion. Fights concerning relocation procedures are avoided, and substantive questions which may delay operations are not resolved, because they may produce controversies that will alienate congressional support. This is particularly true in such programs as the one in Cincinnati, Ohio, where federal funds are, in effect, being used to entrench racial segregation in housing. It must be remembered that legal

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4 In welfare program administration as well, the federal government has a mixed record of insistence and neglect where minimum conditions are concerned. In the well-known case in Newburgh, N.Y., where in 1961 the city manager instituted what were widely deemed harsh measures to cut the relief rolls, Health, Education and Welfare Secretary Ribicoff disavowed any intent to cut off aid to either that city or to the state of New York, through which the federal funds were directed. A good illustration of the hesitancy of federal officials to make demands is found in Ylvisaker's case study of the origination of federal aid to welfare programs in Blue Earth County, Minnesota. Public Administration and Policy Development 89-106 (Stein ed. 1952). A series of realistic case studies involving urban renewal are being commissioned by the American Institute of Planners and the International City Managers' Association.

973
authorization for the application of controls and the actual application of them are two different items. Anderson fails to see that the “conceivable” effect, based on the letter of the law, is infinitely greater than the “potential” effect, based on the political realities.

Many of Anderson’s well documented criticisms of the program’s operation are essentially valid, and his findings sharply define the central problems of urban renewal. He ably documents the failure of the program to alleviate the shortage of decent housing for low and moderate income families. The author examined the progress reports of 326 renewal projects as of March 1961. These revealed that more than 126,000 dwelling units had been destroyed, as many as twenty percent of which were still sound. New construction on these sites amounted to 28,000 units, constituting less than one-quarter of those demolished. Of this total, only about 3,000 were low rent units within the financial reach of the displaced families. The average rent for the remaining units was $195 per month.

In his analysis of the relocation program, Anderson makes a good point in indicating how urban renewal frequently hurts those it is supposed to help. Two-thirds of the persons who must be rehoused after the clearance of urban renewal sites are Negroes or Puerto Ricans, a fact that prompts civil rights leaders to call the program “Negro removal.” Private studies indicate that the displaced slum-dwellers generally move to other slums, for which they pay higher rents. In contrast, the federal government reports that eighty percent of 153,000 relocated families have moved into standard housing. Conflicting claims are brought about by the shifting definition of what constitutes “standard” housing. Since local officials make the decision, a city may apply high standards to housing it wants to demolish for an urban renewal project, and then apply lower standards to other dwellings to justify quick relocation of the displaced persons. Thus the federal claim dissolves into semantic legerdemain. In addition, the Urban Renewal Administration opposes the Comptroller General’s recent proposal to require a consistent criterion for judging “standard” housing.

Similar to a Greek tragedy, The Federal Bulldozer inexorably leads towards the ultimate condemnation of urban renewal with a mountain of statistics, which the author coded and punched on more than 10,000 IBM cards. This gives him an automated advantage, but it is still possible to judge the book on the basis of more conventional forms of analysis. A large number of reviews have appeared, some of which praise the book, but most of which are less than complimentary. They range from disagreement with the author’s conclusions, through severe criticism of his methods, to downright condemnation of the scholarship which produced the book in the first place. As might be expected, the Journal of Housing contained extremely unfavorable reviews. On the other hand, Nation’s Business, in its January, 6

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6 Robert Groberg, Assistant Director of the National Association of Housing and Redevelopment Officials, looked into the book’s controversial content and curious free distribution during September 1964, while the national political campaign was picking up steam. One thousand copies were distributed to senators, congressmen, supreme court justices, newspaper editors, and many others. In the same issue (21 Journal of Housing, Oct. 15, 1964), Isadore Candeub stated that to present renewal as an abstract program
BOOK REVIEWS


The essence of The Federal Bulldozer is contained in Chapter 14, entitled "Conclusion: Repeal the Urban Renewal Program." Here, in a juxtaposition of "Beliefs" and "Facts," Anderson draws his various conclusions concerning housing supply, timing, redevelopment activities, the public interest, and other salient items. (pp. 219-23.) He leaves us with the final thought that the federal urban renewal program should be repealed now. No new projects should be authorized! The program should be phased out by completing, as soon as possible, all current projects. The federal urban renewal program conceived in 1949 had admirable goals, according to Anderson, but he states that the federal government cannot achieve them. Only free enterprise can! Yet he completely ignores the federally financed interstate-highway program, which has forced the relocation of nearly as many persons as urban renewal, without replacing any demolished housing, and (unlike urban renewal) without requiring relocation payments to the displaced.

It is deplorable that the polemic nature of the book leads Anderson to manipulate data to his own ends and that he ignores facts that might detract from his central thesis. Concentrating on the early years of urban redevelopment, the author disregards the many sound policy changes initiated by the Housing and Home Finance Agency during the last few years, especially those aspects to which we now refer as "social planning" or "people planning." The writer's case is marred by unfair arguments: at one point he describes the bigness and expensiveness of the program; at another, he tells us how trivial it is when measured against gross national product, public expenditures, or the construction industry as a whole. Certainly urban renewal has not lived up to the expectation of most citizens, but the savage focus of the analysis brings about a high degree of superficiality. The major constraints within which urban renewal has operated are political, an aspect which has almost been entirely ignored by the writer. A salient condition insufficiently taken into account by the programs is the rapid decentralization of urban residential areas, which receives no meaningful attention in the book. Neither does Anderson offer any alternatives; his sole aim appears to be the destruction of the urban renewal program. There is no description of the great variety of physical changes that have occurred and are taking place in much of the central city areas in Boston, Hartford, New Haven, Baltimore, San Francisco, Cincinnati, New York, Washington, St. Louis, Chicago, Atlanta, and many others. There appears to be no concern with the elimination of economic deprivation or social injustice. Anderson's critique stems from a political and social philosophy which seems to be far to the right.

The Federal Bulldozer makes it clear that our federal urban renewal

° Reprints of "The Truth About Urban Renewal" may be obtained at 30¢ a copy, $14 per 100, or $120 per 1,000 postpaid from Nation's Business, 1615 H St., N.W., Washington, D.C.
program is still in the embryonic stage and that it has many weaknesses. Thus it makes a real contribution because it will be a catalyst for discussion, such as Jane Jacobs' *The Death and Life of Great American Cities* and Herbert Gans' *The Urban Villagers*. Anderson pinpoints many useful criticisms, and they must not be swept under the rug. Above all, the volume shows how much more research and meaningful analysis is needed to give the federal urban renewal the type of objective, inter-disciplinary, thorough, and broad-range evaluation it deserves. During a period when "research" is not highly respected in the field of housing, and not considered particularly pertinent by the lawmakers in Washington, perhaps it is time to consider cost-benefit analyses, even for a bumbling effort to innovate and to put to action the latest methods of business, industrial and social science research to shed further light on this continually expanding activity of our urban civilization. Urban renewal, with its concomitant elimination of congestion, decay, poverty, and disease will continue, not only because it is good, sound business, but also because it is necessary business.

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**Unionization Attempts in Small Enterprises, A Guide for Employers.**

This volume is part of a series of studies made of the legal problems of small businesses by the Duke University School of Law. According to the foreword by F. Hodge O'Neal, project director, Duke University's Small Business Studies:

Each of these studies has a twofold objective: (1) to acquaint small businessmen with often unsuspected legal problems involved in planning and operating their businesses, and to give them sufficient understanding of these problems to know when to call on a lawyer and how to get the best service from him; and (2) to provide nonspecialist lawyers with convenient and authoritative guidance so that they can render more effective service to their small business clients. (p. IV.)

And according to the author's preface:

Because this study is designed primarily for the employer who has never undergone a unionization attempt, certain peripheral subjects are not discussed. Thus, omitted from this study are the problems which arise when two or more unions are organizing in rivalry and the questions to be dealt with when a group of em-

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7 For a well written and soundly reasoned apologia by the Director of the Joint Center for Urban Studies of M.I.T. and Harvard University, although not directly referring to Anderson's book, see Wilson, Urban Renewal Does Not Always Renew, Harvard Today, Jan. 1965, pp. 2-8.