Ethnic Studies Lesson 4Na: African American Housing, Part 1

TOPIC:
AFRICAN AMERICAN HISTORY

GRADE LEVELS:
11-12

TIME:
1½ HOURS

California Ethnic Studies Model Curriculum Themes, Values, and Principles Alignment

Themes:

3. Systems of Power
4. Social Movements and Equity

Values and Principles:

5. Challenge racist, bigoted, discriminatory, and imperialist/colonial beliefs and practices on multiple levels.
6. Connect ourselves to past and contemporary social movements that struggle for social justice and an equitable and democratic society, and conceptualize, imagine, and build new possibilities for a post-racist, post-systemic-racism society that promotes collective narratives of transformative resistance, critical hope, and radical healing.

California English and Social Science Standards Alignment

English Language Arts Standards (11th and 12th Grade):

Reading—Informational Text (RI.11-12)

Determine the central ideas or information of a primary or secondary source; provide an accurate summary that makes clear the relationships among the key details and ideas. (RI.11-12.2)

Evaluate multiple sources of information presented in different media or formats (e.g., visually, quantitatively) as well as in words in order to address a question or solve a problem. (RI.11-12.7)

Speaking and Listening—Informational Text (SL.11-12)

Initiate and participate effectively in a range of collaborative discussions (SL.11-12.1)

Social Sciences Standards (11th and 12th Grade):

History-Social Science Content Standards—(Grades 9-12)

Lesson Purpose

Students will research the historical practices of mortgage credit worthiness, redlining, and efforts to create an equitable yet economically healthy housing market.

Essential Questions

How have the practices of mortgage credit worthiness and redlining impacted housing equity for African Americans?
How have some efforts to improve housing equity had negative consequences?

How has life changed for African Americans over the last 250 years?

Materials

Federal Reserve Bank of Richmond: A Short History of Long-Term Mortgages

Harvard Kennedy School: How redlining prevented Black and Brown families from becoming homeowners

NPR: A "Forgotten History" of How the U.S. Government Segregated America

Federal Reserve: Redlining

PBS New Deal Segregation | Redlining Resource 2 of 2

Unit 4 KWL Chart

Vocabulary

redlining

risk
subprime loans

credit worthiness
default
foreclosure

Lesson Steps

Step 1:

- As a class, ask students what they know about buying a home and qualifying for a mortgage. How do they think this practice might have changed over the last hundred years? As a class, use a group reading strategy such as round robin or popcorn to read the first three paragraphs of Federal Reserve Bank of Richmond: A Short History of Long-Term Mortgages. As students read, have them take notes on the difference between the home loan process one hundred years ago and the home loan process today.
- When the initial paragraphs are finished, have students share their notes with a partner, and then have partners share their notes with the class.
- Break the students into three groups representing portions of the same article and have students share at least five main ideas from their portion of the reading on chart paper. Students should create a title for their chart and include the approximate years the topic covers.
  - The Early Era of Private Financing
  - New Competition from Depression-Era Reforms
  - Postwar Homeownership Boom and the VA

- When students have completed their posters, have the rest of the class walk the room gallery style and put questions they have on sticky notes on the posters. Have each group present their poster and answer the sticky note questions.

Step 2:

- Ask students what they know about the history of redlining that started with Depression-era reforms. Have students watch Harvard Kennedy School: How redlining prevented Black and Brown families from becoming homeowners (video 4 minutes, 28 seconds). As students watch, they should take notes on what redlining is and how it financially impacted African Americans then and now.
- When students have finished watching, have them share their notes with a partner, and then have partners share their notes with the class.

Step 3:

- Let students know they will create three posters that dive deeper into the issues of redlining. Separate the class into three groups and have them create a poster for their topic that addresses at least five key points. The posters should have a title and a date range between 1930 and 1968.
  - Federal Government Involvement in Redlining, NPR: A "Forgotten History" of How the U.S. Government Segregated America
  - Banking Involvement in Redlining, Federal Reserve: Redlining
  - The Impact of Redlining on African Americans, PBS New Deal Segregation | Redlining Resource 2 of 2 (video 4 minutes, 31 seconds)
- When students have completed their posters, have them hang them between the previous posters for "New Competition from Depression-Era Reforms" and "Postwar Homeownership Boom and the VA." Have students walk around the room gallery style and put their questions on sticky notes on the posters. As a class, have groups share their poster information and answer any questions.

Step 4:

- Ask students to reflect on this lesson's questions, "How have the practices of mortgage credit worthiness and redlining impacted housing equity for African Americans? How have some efforts to improve housing equity had negative consequences?" and this unit's question, "How has life changed for African Americans over the last 250 years?" Add what has been learned to this unit's KWL chart.

Essential Question Assessment, Application, Action, and Reflection

As time permits, and for homework, have students watch CNBC: The Big Problem with Credit Scores (video 14 minutes, 8 seconds). As students watch, have students take notes on how the idea of credit can impact their own personal financial resume. Students should write a paragraph that answers the questions, "What actions that can impact my future credit are within my control and what actions are not within my control? What things can I do to help ensure that I will have a successful financial future?"

Additional Readings and Resources

Benston, George J. Mortgage Redlining Research: A Review and Critical Analysis Discussion

Black, Harold A., M. Cary Collins, and Ken B. Cyree. "Do Black-Owned Banks Discriminate Against Black Borrowers?" *Journal of Financial Services Research*, February 1997. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=7287

Boghossian, Peter, and James Lindsay. *How to Have Impossible Conversations: A Very Practical Guide*. Lifelong Books, 2019.

Brookings: America's formerly redlined neighborhoods have changed, and so must solutions to rectify them

Capaldi, Nicholas, and Miles Smit. *The Art of Deception: An Introduction to Critical Thinking*, 2nd ed. Prometheus, 2019.

CNBC: The Big Problem with Credit Scores

Henderson, David R. "How Government Enforced Segregation," review of *The Color of Law* by Richard Rothstein. *Regulation* 40, no. 3 (2017): 50-52.

Liebowitz, Stan J. "Anatomy of a Train Wreck: Causes of the Mortgage Meltdown." In *Housing America: Building out of a Crisis*, edited by Randall G. Holcombe and Benjamin Powell. Independent Institute, 2009, 287-321. https://www.independent.org/pdf/policy_reports/2008-10-03-trainwreck.pdf

Muth, Richard F. "The Supply of Mortgage Lending." *Journal of Urban Economics* 19 (February 1986), 88-106.

Muth, Richard F. "Yields on Inner-city Mortgage Loans." Federal Home Bank Loan of San Francisco, March 1979. For discussion of Muth's paper, see Mortgage Redlining Research: A Review and Critical Analysis Discussion

Nonzero, The Truth about Redlining

NPR: A "Forgotten History" of How the U.S. Government Segregated America

Pinto, Edward J., Tobias Peter, and Emily Hamilton. "A Short History of Zoning in the U.S.," chap. 1. In their *Light Touch Density: A Series of Policy Briefs on Zoning, Land Use, and a Solution to Help Alleviate the Nation's Housing Shortage.* American Enterprise Housing Center, January 2022, 5-15. https://www.aei.org/wp-content/uploads/2022/01/Light-Touch-Density-Compiled-FINAL-1.12.2022.pdf?x85095

Pollock, Alex J., and Edward J. Pinto. "Consider Default Rates When Assessing Claims of Disparate Impact." *American Banker*, October 23, 2018.

Pollock, Alex J., and Edward J. Pinto. Letter to Regulations Division, Office of the General Counsel, Department of Housing and Urban Development, Re.: FR-6111-A-01 Reconsideration of HUD's Implementation of the Fair Housing Act's Disparate Impact Standard (August 17, 2018). https://www.aei.org/wp-content/uploads/2021/09/Pollock-Pinto-Disparate-Impact-Comment-Letter-to-HUD-Aug-2018-FINAL-1.pdf

Powell, Benjamin, and Edward Stringham. "Housing." In *Concise Encyclopedia of Economics.* https://www.econlib.org/library/Enc/Housing.html

Rothstein, Richard. *The Color of Law: A Forgotten History of How Our Government Segregated America*. New York: W. W. Norton, 2017.

Sowell, Thomas. *Discrimination and Disparities*, rev. ed. Basic Books, 2019, 88-89.

Sowell, Thomas. *Economic Facts and Fallacies*. Basic Books, 2008, 178-183.

Sowell, Thomas. "The Economics of Housing." In his *Applied Economics*, rev. ed. Basic Books, 2009, 95-132.

Sowell, Thomas. "An Economic Whodunit." In his *Dismantling America*. Basic Books, 2010, 142-144.

Sowell, Thomas. *The Housing Boom and Bust*. Basic Books, 2009.

Tootell, Geoffrey M. B. "Redlining in Boston: Do Mortgage Lenders Discriminate Against Neighborhoods?" *The Quarterly Journal of Economics* 111, no. 4 (November 1996): 1049–1079. https://doi.org/10.2307/2946707

The Truth about Redlining—Glenn Loury

Wenzel, Nikolai G., and H. Shelton Weeks. "Back to the Future: The Biden Administration's Loan Level Price Adjustment and a Repeat of the Housing Crisis." American Institute for Economic Research, May 1, 2023. https://www.aier.org/article/back-to-the-future-the-biden-administrations-loan-level-price-adjustment-and-a-repeat-of-the-housing-crisis/

Williams, Walter E. "Congress's Financial Mess." Creators Syndicate, January 14, 2009. Reprinted in his *American Contempt for Liberty*, Hoover Institution Press, 2015, 46-47.

Williams, Walter E. "Housing and the Poor." In his *America: A Minority Viewpoint*. Hoover Institution Press, 1982, 92-94.

Williams, Walter E. "Lessons From the Bailout." Creators Syndicate, October 8, 2008.

Williams, Walter E. *Race and Economics: How Much Can Be Blamed on Discrimination?* Hoover Institution Press, 2011, 128-131.

NOTE TO EDUCATORS REGARDING ADDITIONAL READINGS AND RESOURCES: America is a pluralistic country, ethnically. It is also a pluralistic country politically—left, right, and center. Ethnic studies educators have ready access to resources from the left-of-center in the 2021 California Model Curriculum and in the Liberated Model Curriculum. This Comparative Cultures Ethnic Studies curriculum favors teachers exposing students to views from across the political spectrum. Educators often lack guidance to materials from outside the left-of-center. Therefore, in the sections on Additional Readings and Resources, the Comparative Cultures Ethnic Studies curriculum alerts educators to credible resources that provide an alternative to the other Model Curricula. In doing so, this curriculum encourages educators to acquaint students with evidence-based views from left, right, and center.

NAMES: ____________________

Ethnic Studies 4A: KWL Chart

KNOW	WONDER	LEARNED
What do we think we already know about this topic?	*What do we wonder about this topic? Write your questions below.*	*After the research is completed, what did we learn? Make sure to cite your source.*