

‘Redlining’ the British city

Sam Wetherell

The ‘redlining’ of urban space was one of the many ways in which the US New Deal excluded millions of black Americans from its benefits. The concept also helps us to better grasp the operation of racialised inequality in Britain, not just in the neoliberal era but also under the aegis of post-war social democracy.

In 1935, the Home Owners Loan Corporation (HOLC), one of the many new and clumsily named federal bodies created as part of the New Deal, set out to draw maps of more than two hundred of America’s largest cities. The HOLC was one of several bodies tasked with overseeing the federal underwriting of millions of American mortgages, a means of restoring confidence in a housing market that had flat-lined since the Depression. The HOLC’s maps were colour coded, indicating the different levels of risk associated with each neighbourhood. Neighbourhoods deemed creditworthy were coloured green or blue, while those deemed too ‘hazardous’ to be given mortgages were coloured red. The maps were drawn at a time of unashamed white supremacy and it is no surprise that the neighbourhoods which were ‘redlined’ tended to be those that housed African Americans. For more than a generation, the ‘redlining’ of black neighbourhoods in urban America by both public and private banks excluded millions of black Americans from the privileges of home ownership. This history continues to shape the unequal racial geography of American cities, decades after the legal segregation of urban space ended.

The disastrous long-term effects of ‘redlining’ are acknowledged by many American academics, journalists and policy-makers. In a now famous 2014 article, for example, Ta-Nehisi Coates called for reparations, not just for centuries of slavery, but also for the discriminatory mortgage practices faced by black Americans in the twentieth century.¹ Over the last few decades, US historians have drawn attention to

the various ways in which the New Deal operated selectively, leaving millions of black Americans behind as it secured social mobility and middle-class stability for a generation of whites. Social security, tuition-free college and subsidised home ownership were just some of the engines of prosperity that excluded, either *de facto* or *de jure*, large numbers of black Americans, with consequences that still shape the life experiences of black people in the US. To paraphrase Ira Katznelson, the mid-twentieth century US state was an affirmative action programme for white people.²

As an urban historian who has spent much of the last decade living in the United States, I have often wondered what a comparable story might look like from the perspective of Britain's twentieth-century history. Were there ways in which the modernising forces of social democracy structurally excluded people of colour at the level of housing and urban space, and with similarly harmful long-term consequences? In fact many recent historians of Britain have indeed drawn attention to the ways in which British systems of welfare and economic development – which were implemented and expanded during a period of significant Commonwealth migration – operated selectively on the grounds of race. The existence of longstanding practices of exclusion has been evidenced in Kennetta Hammond Perry's work on policing; Radhika Natarajan's work on community; Nadine El-Enany's work on borders; and Rob Waters's work on black radicalism (among many others).³ I want to add to this scholarship with some brief reflections about the structural ways in which race, social democracy and housing intersected in Britain in the twentieth century. In doing so, I will sketch out some of the ways in which 'redlining' might be a useful concept for thinking about British as well as American urban history.

Council housing and migration

During the fourteen years between the 1948 British Nationality Act and the 1962 Commonwealth Immigrants Act, Britain had open borders within what remained of its disintegrating empire. Although people of colour had lived in Britain for hundreds of years, this decade saw the arrival of significant numbers of new migrants from the West Indies and South Asia.

During years when London's population was being hollowed out by slum clearances and new town building, many migrants settled in neighbourhoods such as Brixton and Notting Hill that were being evacuated of white residents and were in many instances still pock-marked by bomb craters.⁴ Many first-generation migrants settled in lodging houses owned by their employers. Those who tried to rent on the private market were often at the mercy of white landlords, many of whom refused to accept black lodgers or tenants. Overwhelmingly, this migrant generation lived in precarious and overcrowded conditions, shaped by poverty and by exclusion from

other types of housing. In the early 1960s, compared with other city dwellers, Commonwealth migrants were more than five times more likely to live in overcrowded housing, and without exclusive access to a stove or a sink.⁵

The first two decades after the war also marked the peak of Britain's experiment with mass public housing. Wartime bombings and postwar population increase had necessitated a massive boom in public and private housebuilding. In the first twenty years after the war, local authorities were building an average of 172,000 council homes a year.⁶ Council homes with indoor bathrooms, fitted kitchens and central heating systems modernised the domestic lives of millions of Britons, for many of whom these things would have been a novelty. This spurt of public sector construction transformed the look and feel of British cities, ringing cities with low rise suburban estates and vast tower blocks. By 1980, almost one in three homes were owned by local authorities.⁷

Despite their precarious living conditions, Commonwealth migrants struggled to gain access to this new supply of council homes in the 1950s and 1960s. This exclusion took a variety of different forms. Many first-generation migrants were unwilling to apply for council housing, not wanting to leave the relative safety of their neighbourhoods. Many found themselves at the bottom of waiting lists that were allocated based on the principle of first come first served, or based on the number of years a person had lived in a particular neighbourhood. In many instances, however, more direct forms of racism played a role. In the mid-1960s it was found that many housing authorities in London boroughs were deliberately moving white Britons up waiting lists at the expense of people of colour. Migrant families were often discriminated against by white council officers whose role was to inspect families to ascertain their fitness for council housing. Reports by housing investigators were one of the most important factors deciding where an applicant would be placed on a waiting list for council housing in the 1960s. According to one investigation in 1965, these officials were often 'baffled' and 'biased' when faced with people of colour, and would 'play it safe' by giving applicants low marks.⁸

Migrants also suffered from a belief, widespread among many urban planners, architects and housing departments, that council estates, with their shared facilities and generous amounts of public space, could be utilised to form discrete homogeneous communities of residents. Camilla Schofield and Ben Jones have recently shown how, after the 1958 uprisings among the black residents of Notting Hill and Nottingham, some community workers became pessimistic that stable communities could be forged between residents of different races.⁹ Many housing departments were unwilling to test the 'tolerance' of white residents in new estates. As one housing manager in the West Midlands in the early 1960s put it, 'I wouldn't put coloured people on a new estate mixed up with all the young couples. It's got to go slowly'.¹⁰ As a result of these barriers, people of colour were significantly under-rep-

resented among council house tenants in the 1950s and 1960s. In 1961, just 4.3 per cent of all Commonwealth migrants in the six largest cities in England and Wales were living in council housing, compared with 23 per cent of all households.¹¹

Another significant factor deterring people of colour from accessing council housing was the fear of violence and harassment. Studies of Pakistani migrants to Bradford and Glasgow from the 1970s showed that a reluctance to apply for council housing was partly motivated by the fear of being left isolated and vulnerable on mostly white council estates.¹² The scale of this problem is difficult to assess, particularly as, in many reported instances, harassment on council estates occurred with the complicity of the police and housing associations. The first detailed study of racial harassment on council estates did not emerge until the mid-1980s. Among its most shocking findings was the fact that more than half of all people of colour on council estates in Scotland had been victims of racist graffiti.¹³

A series of race relations acts in 1965, 1968 and 1976 attempted to mitigate the housing crisis facing people of colour, banning discrimination by private landlords and by local authorities. However, concerns about residency criteria and community cohesion meant that when people of colour did manage to secure access to council housing in the 1950s, 1960s and 1970s, they tended to be allocated types of housing that were deemed to be undesirable. With most housing departments of local authorities not keeping statistics on the ethnic backgrounds of their tenants, the extent of this problem was difficult to gauge. In the early 1970s, working mostly in London, independent public bodies and think tanks such as the Commission for Racial Equality and the Runnymede Trust began to collect their own data. Their findings overwhelmingly showed that 'black families [were] being located on poorer, older, least desirable estates'.¹⁴

The most significant finding of many of these studies was that while white applicants were allocated houses, people of colour tended to be allocated flats in high-density estates. In an investigation into housing practices in the East London borough of Hackney, the Commission for Racial Equality found that 77 per cent of non-white tenants were living in flats on high-density estates in London compared with 56 per cent of the total population.¹⁵ In the late 1970s, Nottingham's Community Relations Council found that Caribbean migrants and their descendants were twice as likely to be housed in flats on high-density estates when compared with white applicants.¹⁶ These trends continued into the 1980s. The 1986-9 general housing survey of council tenants found that 47.8 per cent of Britons of Caribbean descent were living in flats in medium-rise estates and 21.1 per cent were living in high tower blocks (compared with 33.1 per cent and 6.8 per cent of whites respectively). Conversely, while 25.4 per cent of white Britons were allocated low-rise semi-detached houses, the comparable figure for Caribbean migrants was just 8.7 per cent.¹⁷ Britain's colour line even ran through the stairwells

of tower blocks, with black Britons tending to be allocated the least desirable flats on the very bottom or the very top floors.

Meanwhile, a new housing act in 1977 compelled local authorities to house groups that had previously been deemed too young, too old or too ill for council housing. These measures meant that by the late 1970s and 1980s council housing was increasingly being allocated on the basis of need, rather than the length of time spent on waiting lists. The result of this has been an intensification of the 'residualisation' of Britain's remaining council estates, a term used to describe the process by which council housing became an option of last resort, housing only those deemed to be in precarious living situations.¹⁸ Just as access to council housing began to improve, many council estates were being redefined as a safety net for the homeless rather than a long-term option for a significant portion of the population.

For all of these reasons, people of colour held a subordinate place within postwar public housing. It is for this reason that Sidney Jacobs, writing in 1985, referred to council housing as 'the British road to apartheid'.¹⁹ While council housing modernised the lives of millions of white former slum dwellers, many migrants to Britain were either excluded from council housing entirely or concentrated on urban high-density estates. That this was the case is not, in itself, sufficient to argue that Britain saw something comparable to the US experience of 'redlining'. Unlike in the United States, the differential treatment of white people and people of colour within Britain's public housing system had no immediate effect on their ability to accumulate capital. What happened next, however, changed all of that.

The limits of the 'right to buy'

In her first full year as prime minister, Margaret Thatcher's government passed the 1980 Housing Act, arguably her most famous and consequential piece of legislation. The act gave every possible incentive for those in council houses to buy their home from the state. Those who had been tenants for more than three years were given a 33 per cent discount on their home's market rate, a discount that rose to a maximum of 50 per cent (increasing to 70 per cent in some cases after 1986). The policy was an extraordinary success, initiating 1.3 million sales in its first ten years and forever changing the ownership structure of Britain's housing stock.

Although the 'right to buy' is most commonly associated with low-rise council houses in the kinds of estates that fuse seamlessly into the rest of Britain's built environment, the same advantages were offered to those living in large tower blocks or older multi-storey estates, the kinds of spaces that people of colour were more likely to have been housed in. Here, however, much to the frustration of the government, efforts at incentivizing residents to buy their homes (usually flats) were not

nearly as successful. By 1987, local authorities had sold 865,000 houses but only 49,000 flats. Flats comprised just over 5 per cent of all sales, despite making up a third of all British public housing stock.²⁰ Furthermore, most flat sales were concentrated in a handful of London boroughs. By 1985, Birmingham City Council had sold just 314 of its 55,372 flats.²¹

There were a number of reasons for this. The sale of individual flats on council-owned estates raised a number of technical problems and disputes over maintenance and governance. In a corridor where half the flats were owned by residents and half still owned by the Council, who would be responsible for cleaning windows, changing communal lightbulbs and fulfilling maintenance requests? Could a new owner secede from their building's collectively managed heating system and install their own boilers? Service charges were also an issue. Would a theoretical private owner of a council flat continue to pay service charges to fund lift maintenance, for example, in an adjacent tower block? Lawyers were hired to puzzle through these questions and even in Conservative boroughs such as Wandsworth, which were zealous advocates for the 'right to buy', sales proceeded slowly, and the borough was forced to continue cleaning, maintaining and heating most of its high-density housing stock, even on estates where flat-owners began to rival the number of council tenants.

Partly as a result of these problems, flats were deemed too risky for many mortgage providers. By 1982, there were reports that building societies were refusing, on principle, to lend to those in tower blocks where council tenants also lived. Building societies such as the Halifax, when pressured by the government, cited the difficulty of maintaining, managing and policing communal areas as grounds for their refusal. The Halifax's report to the government claimed: 'as a home-owner the occupier becomes master of his own environment whereas a flat owner is dependent on outside factors'.²² Problems persisted when the first generation of successful 'right to buy' flat owners tried to sell their homes. By the early 1990s, Chelsea Building Society were turning down any applications for loans from those living in buildings that were less than 60 per cent owner occupied. In 1992 a fleet of coaches full of people from across London who had bought their flats from local authorities only to be denied mortgages descended on Hammersmith Town Hall to protest, with little success. The same year one frustrated government official even accused banks of 'redlining' high-density council estates.²³

Despite the fact that housing loans from banks increased tenfold in the decade after 1978 – a period which saw an increasing overlap between the roles of building societies and banks – many of those living in high-density urban council estates did not have access to this new glut of capital. Mortgage lenders were happy to provide loans to those buying apartments in the new luxury developments that were being built in the 1980s in places like the former Docklands of London, but were loath to lend to

those in local authority tower blocks. The kinds of spaces where people of colour were over-represented as a result of local authorities' actions in the 1950s, 1960s and 1970s were also some of most difficult places for which to secure mortgages.

Legislation in 1986 and 1988 gave councils the power to rehouse the residents of a single estate, paving the way for the entire development to be offloaded. Sometimes these estates were sold to property developers, many of whom spent more than their purchase price on renovations such as new heating and security systems that would turn flats into desirable assets safe for home-ownership. More often, however, what was left of Britain's public housing stock was transferred to housing associations – non-profit organisations that blurred the line between state and non-state ownership. By the 1990s, plans to turn large council estates into little republics of home-owners were falling by the wayside, and estates where non-white council tenants were most likely to live were increasingly being run by non-profit organisations or sold wholesale to developers after their residents had been rehoused.

Redlining

Redlining in Britain was, therefore, the outcome of two historical processes. First, people of colour occupied a subordinate position within the massive expansion of council housing between the 1940s and the 1970s. During this period, people of colour were under-represented in council housing across the board; shunted to the bottom of waiting lists; discriminated against by visitation officers; alienated by complex bureaucracies; and rightfully fearful of being left isolated and vulnerable on predominantly white estates. Even as access to housing improved over the 1960s and 1970s, people of colour were disproportionately housed in flats on urban high-density housing estates. Second, when council tenants were given enormous incentives to purchase their homes from local authorities at heavily discounted rates, those living in high-density flats struggled to buy their homes, and were frequently snubbed by mortgage lenders.

It seems clear that structural forces internal to social democracy as well as to neoliberalism have meant that white Britons have disproportionately benefited from home-ownership and the financial benefits it entails. Non-white Britons tended to lose out from both the modernising processes of mid-century state-led economic development, as well as the spoils of financialised, property-driven late twentieth-century private wealth. If Margaret Thatcher's intent was to create a 'property owning democracy', various historical forces converged to make this property-based notion of citizenship a privilege enjoyed predominantly by white Britons. With property wealth having now become the second most significant source of wealth in Britain (after private pensions wealth), and with house-price increases significantly outstripping wage increases over the last generation – the average house costing

nine times more in 2019 than it did in 1980 – these structural forces have had demonstrably negative effects on the lives of many people of colour in Britain. Just as in the United States, the actions of racist local authorities, white activists on the ground and mortgage brokers have combined together over decades to exclude significant numbers of people of colour from home-ownership in Britain. For this reason, it makes sense to think about redlining here as well as there.

Sam Wetherell is a lecturer at the University of York.

Notes

- 1 Ta-Nehisi Coates, 'The Case for Reparations,' *The Atlantic*, June 2014: <https://www.theatlantic.com/magazine/archive/2014/06/the-case-for-reparations/361631/>.
- 2 Ira Katznelson, *When Affirmative Action Was White: The Untold Story of Racial Inequality in Twentieth-Century America*, W.W. Norton 2006.
- 3 Kennetta Hammond Perry, *London is the Place for Me: Black Britons, Citizenship and the Politics of Race*, Oxford University Press 2015; Radhika Natarajan, 'Organizing Community: Commonwealth Citizens and Social Activism in Britain, 1948-1982', PhD. Diss., University of California 2013; Nadine El-Enany, *Bordering Britain: Law Race and Empire*, Manchester University Press 2020; Rob Waters, *Thinking Black: Britain, 1964-1985*, University of California Press 2018.
- 4 For accounts of the living conditions of first-generation migrants in the late 1940s and 1950s see Ruth Glass, *Newcomers: The West Indian Migrants*, Harvard University Press 1961.
- 5 Elizabeth Mary Burney, *Housing on Trial: A Study of Immigrants and Local Government*, Oxford University Press 1967.
- 6 Annual house-building data in the public and private sectors has been compiled by David Butler and Gareth Butler, *British Political Facts*, Palgrave Macmillan 2011.
- 7 Ray Forrest, Alan Murie and Peter Williams, *Home Ownership: Differentiation and Fragmentation*, Unwin Hyman 1990.
- 8 Burney, *Housing on Trial*.
- 9 Camilla Schofield and Ben Jones, "Whatever community is, this is not it": Notting Hill and the Reconstruction of "Race" in Britain After 1958', *Journal of British Studies*, Vol 58 No 1, 2019.
- 10 Quoted in Burney, *Housing on Trial*.
- 11 Burney, *Housing on Trial*.
- 12 For example, A. Bowes et al, 'Pakistanis and social rented housing: a study in Glasgow', in A Bowes et al (eds), *Perspectives on Welfare: The Experience of Minority Groups in Scotland*, Ashgate 1997.
- 13 Commission for Racial Equality, *Living in Terror: A Report on Racial Violence and Harassment in Housing*, Commission for Racial Equality 1987.
- 14 See, for example, Runnymede Trust, *Race and Council Housing in London*,

- Runnymede Trust 1975; D. Smith, *Racial Minorities and Public Housing*, PEP 1975; J. Parker, *Colour and the Allocation of GLC Housing: The Report of the GLC Lettings Survey*, GLC Information Centre 1976; London Housing Research Group Working Party on Race and Housing, *Race and Local Authority Housing: A Report of the London Housing Research Group*, Community Relations Commission 1977; Commission for Racial Equality, *Race and Council Housing in Hackney: Report of a Formal Investigation*, Commission for Racial Equality, London 1984.
- 15 CRE, *Race and Council Housing in Hackney*.
- 16 Alan Simpson, *Stacking the Decks: A Study of Race, Inequality and Council Housing in Nottingham*, Nottingham and District Community Relations Council 1981.
- 17 Ceri Peach and Margaret Byron, 'Council House Sales, Residualisation and Afro Caribbean Tenants', *Journal of Social Policy*, Vol 23 No 3, 1994. It is worth also noting that housing allocation patterns differed slightly in some parts of the country. In Liverpool, for example, although non-white applicants were reported to have had a harder time finding high quality housing, people of colour were not over-represented in high-density housing specifically.
- 18 For 'residualisation' after 1977 see Alison Ravetz, *Council Housing and Culture: The History of a Social Experiment*, Routledge 2001; Anne Power, *Property Before People: The Management of Twentieth Century Council Housing*, Allen and Unwin 1987; Peter Malpass, *Reshaping Housing Policy: Subsidies, Rents and Residualisation*, Routledge 1990.
- 19 Sidney Jacobs, 'Race, empire and the welfare state: council housing and racism', *Critical Social Policy*, Vol 5 No 13, 1985.
- 20 From the Government's internal figures on sales reported in 1988. The National Archives (henceforward TNA) AT 131/19.
- 21 Figure from the report of a meeting between government housing officials and Birmingham City Council in 1985, TNA HLG 118/4408.
- 22 Quote is from a report drawn up by the Halifax and submitted to the government in 1987. TNA AT 131/19.
- 23 The term was used in an internal government memo in 1992. TNA AT 131/18.