

A black and white photograph of a winter scene. The foreground is filled with snow-covered trees and bushes. In the background, a Gothic-style building with multiple spires is visible through the branches. The overall atmosphere is serene and quiet.

# ORACLE

THE HISTORY JOURNAL OF BOSTON COLLEGE

VOLUME IV



# ORACLE: THE HISTORY JOURNAL OF BOSTON COLLEGE

## VOLUME IV, ISSUE I

### MASTHEAD

Mckayla Yoo  
*Co-Editor In-Chief*

Jennifer Witt  
*Co-Editor In-Chief*

Olivia Strong  
*Associate Editor*

Lila Zarella  
*Associate Editor*

Sean Stebbins  
*Associate Editor*

Erin Shannon  
*Associate Editor*

Siena Sefton  
*Associate Editor*

Alan Tsui  
*Associate Editor*

Penelope Ismay, Ph.D.  
*Faculty Advisor*

### TABLE OF CONTENTS

Golden Gates Slammed Shut: Bonded Debt and Privatized Displacement During San Francisco's HOPE IV Redevelopment, 1956-2001	Henry Lear	01
American Atlantis: Franklin D. Roosevelt's Efforts to Change Federal Policies Towards Indigenous Americans During the Great Depression	Joshua Losapio	30
Land of Declining Youth: Implications of Japan's Aging Demographic	Aidan Mallon	51

Oracle: The History Journal of Boston College

---

Volume IV | Issue I

Article 1

---

**Golden Gates Slammed Shut: Bonded Debt and Privatized Displacement  
During San Francisco's HOPE VI Redevelopment, 1956-2001**

Henry Lear

*Harvard University*, [henrylear@college.harvard.edu](mailto:henrylear@college.harvard.edu)

**GOLDEN GATES SLAMMED SHUT: BONDED DEBT AND PRIVATIZED  
DISPLACEMENT DURING SAN FRANCISCO'S HOPE VI REDEVELOPMENT, 1956-**

**2001**

HENRY LEAR \*

**Abstract:** In the 1950s, as the federal government bulldozed cities to build highways and poured millions into the suburbs, public housing authorities were forced to sell bonds to private investors to build and maintain low-income housing. As historian Destin Jenkins explains in his 2021 book *The Bonds of Inequality*, a decade of San Francisco bond sales to private investors trapped the San Francisco Housing Authority (SFHA) in a perpetual state of indebtedness, forced to direct tenant rents and federal funds not to upkeep or maintenance, but to paying back bondholders like the Bank of America. As the SFHA's problems were magnified under 1970s federal austerity, and its capacity to provide decent housing was diminished, new private companies formed focused on public housing redevelopment and management. By the 1990s, President Clinton's HOPE VI program directed billions toward housing authorities in disrepair. Private companies were put in charge of demolition, rebuilding, and management, subsequently implementing harsh, punitive rules designed to maximize their real estate profits and control over tenants. This federally-subsidized, extractive relationship can be traced to bond sales, federal policy toward favor of privatization, and carceral practices like policing and 'One Strike' evictions. This paper pushes against the traditional 'rise and fall' narrative of public housing, suggesting that the connections between postwar, extractivist financial schemes and neoliberal privatization campaigns are closer than existing scholarship has acknowledged.

The advertisements appeared on broadsheets in droves. Just after New Year's, one offered "a practical resolution for 1956" to wealthy newspaper readers.<sup>2</sup> Its suggestion? That the readers "purchase securities of high quality...Exempt from present federal income taxation."<sup>3</sup> The ad,

---

<sup>1</sup> Henry Lear is a junior at Harvard College studying History and Literature, interested in the history of American public housing, architectural modernism, and pursuing historical research in tandem with community organizing.

<sup>2</sup> Bond Department, Chase Manhattan Bank, "A practical resolution for 1956," advertisement, *New York Times*, Jan. 5, 1956, 37.

<sup>3</sup> Chase, "A practical resolution."

placed in *the New York Times* by Chase Manhattan Bank, offered a slew of bonds for sale from municipal and state governments, but also turned prospective buyers' attention to bonds offered by public housing authorities, the agencies in charge of urban housing 'projects.'<sup>4</sup>

These short-term bonds were sold to prospective investors across the country who received dividends and repayment, sourced from San Francisco Housing Authority (SFHA) revenues which came primarily from tenant rents and federal funding. When the time came to repay bondholders along with interest, much of this income was routed back to private accounts. Historian Destin Jenkins writes in *The Bonds of Inequality* that "public housing debt provided interest and a shortened time horizon between one investment and the next" for financiers.<sup>5</sup> Trapped by high interest rates and the need to continuously borrow, public housing authorities went into progressively deeper debt in attempts to repay these bonds. Meanwhile, bondholders profited: the Bank of America "increased its holdings of PHA [Public Housing Authority] notes from \$165 to \$270 million between December 31, 1964, and September 15, 1965."<sup>6</sup> Bonds tethered the SFHA's already-feeble revenue stream to bondholders' coffers, weakening its capacity to provide decent housing as it battled high interest rates and short loan repayment periods.

Late 1950s housing authority bond sales forced the San Francisco Housing Authority (SFHA) into a perpetual state of indebtedness. While the SFHA's problems were magnified under 1970s federal austerity and its capacity to provide decent housing was diminished, new private companies formed that focused on public housing redevelopment and management. In the 1990s, Clinton's HOPE VI program directed billions toward complexes in disrepair, but put private companies in charge of demolition, rebuilding, and management, instead of local housing authorities. These companies subsequently bent federal policy toward harsh, punitive measures designed to maximize their real estate profits. This federally subsidized extractive relationship can be traced directly to bond sales, federal policy in favor of privatization, and carceral practices like policing and 'One Strike' evictions.

Public housing scholarship has relied unduly upon a 'rise and fall' narrative that situates the decline in projects' living conditions alongside standard milestones in federal policy. While there is no denying that the 1970s and 1980s saw a punishing lack of maintenance in public housing

---

<sup>4</sup> Chase, "A practical resolution."

<sup>5</sup> Destin Jenkins, *The Bonds of Inequality: Debt and the Making of the American City* (Chicago: The University of Chicago Press, 2021), 99.

<sup>6</sup> Jenkins, 99.

stock, this line of argument fails to consider the overt throughline of private profit that motivated and benefitted from state policy. Historian Destin Jenkins' recent book, *The Bonds of Inequality* argues alongside scholars such as Kim Phillips-Fein and Keeanga-Yamahtta Taylor that the interests of private capital undergirded the tearing of the American urban fabric so often associated with neoliberalism and austerity. This paper seeks to look through another lens in this conversation, focusing on how public housing—intended to provide a publicly accessible and subsidized service to working-class communities—became a site for privatization, carceral practices, and profit in the 1990s.

Historian John Baranski's *Housing the City by the Bay* offers an effective historical survey of San Francisco public housing policy. With tenant activism and state power at the center of his narrative, Baranski charts the transformation of public housing from an idea propagated by reformers to disrepair and the HOPE VI era. His writing, while lauding the SFHA, also maintains the 'rise and fall' narrative that points to clear-cut disinvestment as the most critical force in the collapse of public housing, similar to work like Thomas Sugrue's *The Origins of the Urban Crisis*. Destin Jenkins suggests a countervailing narrative in *The Bonds of Inequality*. Jenkins traces the scars of municipal debt left on pre-existing environments, establishing a firm relationship between the needs of capital and public administration, including public housing. Across San Francisco's landscape, Jenkins argues that municipal bonds and the interests that sustained them were uniquely influential in shaping the city: who would be housed where, who would profit from development, and how the politics of artificial austerity would come to be justified.

The historical debate frames this argument, which ties together two extractive processes. First, the sale of public housing bonds in the late 1950s, and secondly the 1990s takeover of public housing by private corporations that relied on HOPE VI funding and reforms to exert unprecedented control over public housing. These processes are often plugged into the surface-level 'disinvestment' narrative that ignores state entities' manipulation of public dollars toward private interests, and the decades long debt cycles that trapped housing authorities. Nowhere was this relationship more dramatic and bruising than in San Francisco.

# *A practical resolution for 1956*

--- PURCHASE SECURITIES OF HIGH QUALITY

## EXEMPT FROM PRESENT FEDERAL INCOME TAXATION

*We offer, subject to prior sale and change in price, the following New Housing Authority, State and Municipal Bonds, the interest on which is exempt from present Federal Income Taxation*

### NEW HOUSING AUTHORITY BONDS

Amount Offered	Issue	Coupon Rate	Maturity	Priced to Yield (Fed. Tax Exempt)
\$ 355,000	St. Louis Housing Authority, Mo. ....	2 $\frac{3}{8}$ %	Aug. 1, 1977	2.30%
450,000	San Francisco Housing Authority, Calif. ....	2 $\frac{3}{8}$ %	Aug. 1, 1977	2.30
460,000	Newark Housing Authority, N. J. ....	2 $\frac{1}{2}$ %	April 1, 1978	2.35
430,000	Cleveland Metropolitan Housing Authority, Ohio. ....	2 $\frac{3}{8}$ %	July 1, 1979	2.35
325,000	National Capital Housing Authority (Washington) ....	2 $\frac{1}{2}$ %	May 1, 1987	2.475
250,000	National Capital Housing Authority (Washington) ....	2 $\frac{1}{2}$ %	May 1, 1994	2.50
275,000	Chicago Housing Authority, Ill. ....	2 $\frac{1}{2}$ %	June 1, 1988	2.50
500,000	New York City Housing Authority, N. Y. ....	2 $\frac{5}{8}$ %	Jan. 1, 1988	2.50
500,000	Newark Housing Authority, N. J. ....	2 $\frac{1}{2}$ %	April 1, 1989	2.50

NOTE: New Housing Authority Bonds are callable ten years from their date at 104% and at decreasing premiums if called thereafter.

Bond Department, Chase Manhattan Bank, "A practical resolution for 1956," advertisement, *New York Times*, Jan. 5, 1956, ProQuest, 37.

In November 1972, SFHA Commissioner Caroline Charles sent a slew of frantic telegrams to the White House. Incensed, she slammed the Nixon administration for its "unconscionable" tardiness in releasing emergency funds for housing authority operations.<sup>7</sup> The SFHA, bruised by a recent Congressional mandate to cap rents for low-income families, was one of the thousands of housing authorities seeking a boost in federal funding to continue operations.<sup>8</sup> The problem ran far deeper than a Congressional mandate. By 1972, the SFHA was functionally bankrupted by more than a decade of punishing bond repayments as financiers grew rich. In 1965, the SFHA held \$44.4 million in outstanding long-term debt as they contended with millions in short-term debt that changed by the month.<sup>9</sup> The debilitating nature of these bonds on the SFHA's budget was pronounced. With privileged bondholders backed by a federal repayment guarantee, the SFHA was legally obligated to repay bondholders before funding its own operations.<sup>10</sup> Under high interest rates, this process was unusually profitable for investors. Repaid interest was not subject

<sup>7</sup> "Quarrel Over Housing," *San Francisco Sun Reporter*, Nov. 25, 1972, ProQuest; John Baranski, *Housing the City by the Bay: Tenant Activism, Civil Rights, and Class Politics in San Francisco* (Stanford, California: Stanford University Press, 2019), 139.

<sup>8</sup> "Quarrel."

<sup>9</sup> Jenkins, 100.

<sup>10</sup> Jenkins, 100.

to federal income tax, though repayment was backed by the federal government if the SFHA failed.<sup>11</sup> Federal regulations shielded the financier's profits and codified a lucratively extractive relationship. Bonds also severely diminished the SFHA's capacity to operate soundly at a time when its projects were recently coming online. Housing authority bonds, launched out of the necessity to provide the construction capital needed for new projects, were a poison pill designed to yield substantial profits for investors at the expense of working-class tenants.

As the SFHA struggled under the effects of the bond regime and for-profit development encroached on poor neighborhoods after urban renewal, working-class families in the city were clamoring to get a spot in affordable homes. One mother, Mary Rogers, spoke to a *Los Angeles Times* reporter after her fourth year of waiting for a spot in the projects. "They want to bring back the middle and high-income people who've moved out because black and Spanish-speaking people moved in," she told the paper.<sup>12</sup> Rogers noted the profit motive at the heart of the city's strategy: "they want to increase their tax revenue," she said.<sup>13</sup> Rogers was one of many tenants grappling with the dual challenges of an ailing SFHA and housing altered by private development that took advantage of urban renewal programs.

Similar to the housing authority bonds, urban renewal in San Francisco was also financed by bonds that let private corporations steer public dollars toward their bottom lines. This process also permitted for-profit development to subtly gentrify working-class neighborhoods. In the late 1950s, the San Francisco Redevelopment Authority offered bonds on the public market, backed by federal government guarantees. The Redevelopment Authority sought to acquire and clear swaths of land through the Western Addition neighborhood, designated as 'blighted' by the Board of Supervisors on San Francisco's city council.<sup>14</sup> Jenkins tells the story of San Francisco Supervisor Chester MacPhee, whose Del-Camp real estate corporation relied on "insider knowledge, personal connections, and state guarantees" to purchase property, inflate its value, and ultimately profit handsomely from redevelopment buyouts for land clearance.<sup>15</sup> Not only did profiteers like MacPhee orchestrate advantageous tradeoffs for their own businesses, they also

---

<sup>11</sup> Jenkins, 100.

<sup>12</sup> Philip Hager, "San Francisco Faces Growing Crisis in Low-Income Housing," *Los Angeles Times*, Dec. 22, 1969, ProQuest.

<sup>13</sup> Hager, "San Francisco Faces."

<sup>14</sup> Jenkins, 101.

<sup>15</sup> Jenkins, 102.



reshaped San Francisco on the public's dime. Even in the earliest years of municipal bonds, tenants like Rogers struggled to make a home in a city where surface-level disinvestment turned into profit for a corporate elite.

Bonds privileged large corporations over small landlords, what Jenkins calls an outsized attentiveness to 'big C' capital. Both SFHA and Redevelopment Authority bonds established the primacy of large corporate interests in profiting from federal government funds. This was a critical beginning for decades of federal policy that continued to focus on these large private entities, increasingly so until the 1990s. Then, under HOPE VI, corporations were invited to redevelop and manage public housing properties themselves, while receiving millions in government funds.

Federal public housing policy had long been charitable to private corporations. In 1973, a year after SFHA Commissioner Charles sent her admonishing telegrams to the White House, Richard Nixon famously enacted a moratorium on most public housing subsidies, widening an already-growing gap in housing authority budgets.<sup>16</sup> Scholars Yonah Freemark and Lawrence Vale argue that 'public housing' was never truly public.<sup>17</sup> Both argue that projects built under the New Deal employed private contractors and depended on private bond financing.<sup>18</sup> Construction of public housing, they contend, was justified at its outset with the goal of "stimulating the private building industry" (Marcuse 1995).<sup>19</sup> Yet built on these foundations, federal regulation transformed public housing into a distinctly more potent vehicle for generating profit in the second half of the 20th century.

In 1968, Congress passed the Housing and Urban Development Act, a critical cornerstone for Lyndon Johnson's Great Society programs. The Act contained Section 236, which issued private developers Federal Housing Administration mortgages at 1% interest in exchange for building affordable, moderate-income housing.<sup>20</sup> Urbanist Alex Schwartz writes that this was one of the earliest instances of an overt federal lurch toward private management, "enabl[ing] private

---

<sup>16</sup> Yonah Freemark, "Myth #5. Public Housing Ended in Failure During the 1970s," in *Public Housing Myths*, (Ithaca, N.Y.: Cornell University Press, 2018), 121.

<sup>17</sup> Yonah Freemark and Lawrence J. Vale, "The Privatization of American Public Housing: Leaving the Poorest of the Poor Behind," in *The Routledge Handbook of Housing Policy and Planning*, ed. Katrin B. Anacker, Mai Thi Nguyen, and David P. Varady (Oxfordshire, U.K.: Routledge, 2019), 189-190.

<sup>18</sup> Freemark and Vale, "Privatization of Public Housing," 190.

<sup>19</sup> Freemark and Vale, "Privatization of Public Housing," 190.

<sup>20</sup> Freemark and Vale, "Privatization of Public Housing," 194.

industry not only to build low-income housing developments, but also to manage them”.<sup>21</sup> Though these were not public housing properties, it remains evident that federally-subsidized privatized housing was codified in Great Society programs.

In the wake of Nixon’s 1973 moratorium on public housing construction, the federal government looked to the private sector to encroach on the role of public housing authorities, which were struggling to recover from bonded debt and funding cuts. A 1974 law expanded on Section 236, establishing the ‘Section 8 New Construction and Substantial Rehabilitation program.’<sup>22</sup> This hulking moniker represented a process that was quite simple: it was the first attempt made by HUD to directly subsidize private housing — not in its construction, but in its day-to-day management.<sup>23</sup> A HUD report admitted that private companies made boatloads from this program: it “was very expensive”.<sup>24</sup> This program surged during the Reagan administration when developers realized its “lucrative profit potential,” wrote urbanist Charles Orlebeke.<sup>25</sup> This development was one of many legislative turns toward private profit in public housing during the 1970s.

Nixon-era shifts in federal policy opened new routes for private developers and property managers to insert themselves into public housing efforts. In a landscape where bonds and financial strategies had kept investors and profits at an arms-length, the turn to embolden private management was remarkable. It would later come to connect federal funding directly to corporate revenues, and instead of directing tenants’ rent to bondholders, their entire homes would become financial bargaining chips.

Vale and Freemark advance the idea that the creation of 1970s nonprofit and community development institutions was the beginning of a robust scaffolding primed to accommodate later

---

<sup>21</sup> Alex F. Schwartz, *Housing Policy in the United States* (Boca Raton: Routledge, 2015), 159, quoted in Yonah Freemark and Lawrence J. Vale, “The Privatization of American Public Housing: Leaving the Poorest of the Poor Behind,” in *The Routledge Handbook of Housing Policy and Planning*, ed. Katrin B. Anacker, Mai Thi Nguyen, and David P. Varady (Oxfordshire, U.K.: Routledge, 2019), 194.

<sup>22</sup> Office of Policy Development and Research, U.S. Department of Housing and Urban Development (HUD), *The Evolution of HUD’s Public-Private Partnerships*, Washington, D.C.: 2015, [https://www.huduser.gov/hud50th/HUD2-048-Public-Private\\_Partnership\\_508.pdf](https://www.huduser.gov/hud50th/HUD2-048-Public-Private_Partnership_508.pdf), 5.

<sup>23</sup> HUD, *Evolution of HUD’s Public-Private Partnerships*, 6.

<sup>24</sup> HUD, *Evolution of HUD’s Public-Private Partnerships*, 6.

<sup>25</sup> Charles J. Orlebeke, “The Evolution of Low-Income Housing Policy, 1949 to 1999,” (Housing Policy Debate, 11:2), 495, quoted in Yonah Freemark and Lawrence J. Vale, “The Privatization of American Public Housing: Leaving the Poorest of the Poor Behind,” in *The Routledge Handbook of Housing Policy and Planning*, ed. Katrin B. Anacker, Mai Thi Nguyen, and David P. Varady (Oxfordshire, U.K.: Routledge, 2019), 196.

waves of federal funding. Community development corporations, debuted in 1974 under Nixon’s block grant program, were fundamental to operationalizing funds that came down the federal pipeline in the 1980s and 90s, including the 1990 HOME program and the Low-Income Housing Tax Credit after 1986.<sup>26</sup> Vale and Freemark’s understanding can also be overlaid onto private corporations that would later convert federal funding into profit. Private and community developers formed in the 1970s in response to reforms like these would become uniquely positioned to reap billions from 1990s housing programs — particularly HOPE VI.

Other reforms also primed private corporations in California to profit from HOPE VI funding. In 1978, California homeowners pushed Proposition 13, which froze property values at their assessed values from 1975 to 1976, as long as ownership did not change.<sup>27</sup> This helped corporate landlords—for companies managing buildings worth millions, property tax rates had been effectively subsidized by the state. California state government saw its property tax revenue diminished, and community activists voiced their opposition. One *San Francisco Sun-Reporter* columnist harangued Proposition 13 for eliminating an “alternative source of revenue to pay for necessary programs.”<sup>28</sup> Proposition 13 also crushed the capacity for local entities to raise new revenues. Corporate revision of the federal tax code was further advanced in 1986 when Congress added the Low-Income Housing Tax Credit to the corporate toolbox. The credit put power into the hands of private developers to build their own complexes whose private construction and management would be subsidized by generous tax write-offs.<sup>29</sup> These reforms in the late 1970s and early 1980s were also crucial for private developers to form and have quick success in receiving government contracts, subsidies, and partnerships. American public housing historically had a private element attached to its construction, management, or financing. Yet the distinctive turn that took place in the 1970s emboldened nascent private management companies and relied on the bond sales that began to bleed the SFHA and other authorities dry.

As reforms like these took hold, business interests were wooed by the potential to profit. Richard D. Baron was representing tenants during a 1969 rent strike in St. Louis when he met Terrence McCormack, a Teamsters member involved in resolving the dispute. The two wanted to

---

<sup>26</sup> Freemark and Vale, “Privatization,” 196-197.

<sup>27</sup> Gerald E. Frug and Barron, David J. *City Bound: How States Stifle Urban Innovation*. Ithaca: Cornell University Press, 2008, 80.

<sup>28</sup> John George, “No on Prop. 13,” *San Francisco Sun Reporter*, May 11, 1978, ProQuest.

<sup>29</sup> Freemark and Vale, “Privatization,” 197.

address what they saw as a glaring need for alternatives to large-scale urban renewal programs, hoping to focus on redeveloping individual housing sites. In 1973, they founded McCormack Baron, becoming McCormack Baron Salazar (MBS) by 1985. But their interests were not charitable: MBS was a for-profit developer founded to reap profit from federal contracts. Other private corporations focused on for-profit development and management sprung up during the 1970s too, such as the San-Francisco-based John Stewart Company, founded in 1978. These companies saw the advantages federal reform around public housing could offer them, and in forming during the 1970s, set themselves up to make exponentially more once HOPE VI was implemented in the 1990s.

In a turn from entirely-public management in the 1980s, housing authorities in St. Louis, Hawaii, and Wyoming took advantage of new private management companies, and placed public housing complexes under their supervision.<sup>30</sup> By the early 1990s, the practice had become significantly more common, with the Puerto Rico and Chicago Housing Authorities contracting private managers for some properties.<sup>31</sup> By 1997, as HOPE VI was in full swing, those housing authorities had 60,000 and 12,000 apartments under private management, respectively.<sup>32</sup> This turn echoed overtly the bond financing of public housing that had sustained the SFHA and other authorities for decades, while winnowing their bottom lines. The connection between bond regimes and the open invitation extended to private developers was intimate: the Portland Housing Authority in Oregon began to use private management in 1991 — but only for its bond-financed properties, where private influence already had a solidified hold.<sup>33</sup>

By 1989, Baron made deals with public housing authorities in St. Louis and others across the United States and was nationally recognized for his work in affordable housing. That year, Congress, charged with eradicating public housing in particularly dire straits by 2000, authorized the Commission on Severely Distressed Public Housing. “The Congress tasked the Commission with finding answers, and we have found answers,” their letter read.<sup>34</sup> The report spanned dozens of issues and made extensive recommendations in the hopes of aiding private interests. Among

---

<sup>30</sup> Office of Public and Indian Housing, U.S. Department of Housing and Urban Development (HUD), *Private Management of Public Housing: A Guidebook*, Abt Associates Inc., HUD-1684-PIH, Washington, D.C.: 1997, <https://hdl.handle.net/2027/mdp.39015040072004>, A-1.

<sup>31</sup> HUD, *Private Management*, A-1.

<sup>32</sup> HUD, *Private Management*, A-1.

<sup>33</sup> HUD, *Private Management*, A-1.

<sup>34</sup> “The Final Report” (National Commission on Severely Distressed Public Housing, Washington, D.C., 1992), v.

these issues, the report maintained particular attention to the “pro-tenant court systems” that troubled public housing officials’ efforts to evict tenants dealing with addiction or who were unable to pay rent.<sup>35</sup> It also underscored that some authorities had a “very difficult time evicting these families once they are residing.”<sup>36</sup> The Commission’s recommendations carried extensive weight—less than a year later, Congress authorized millions for housing authorities to contract with private developers to begin demolishing and rebuilding low-income tenants’ homes. More critically, this report also proposed remedies for issues like “pro-tenant court systems” that might curtail private management’s control over tenants.<sup>37</sup> Along with the public housing administrators and public officials who sat on the Commission, such as SFHA Director David Gilmore, there were a handful of private managers who helped shape the group’s goals. One was Don Ball, the president of Ball Homes, a Kentucky-based developer. Another, notably, was Richard D. Baron, the president of McCormack Baron Salazar.<sup>38</sup> These private developers, respected for their close partnership with the federal government, had a hand in building consent for the HOPE VI program, which would place unprecedented authority over public housing into the hands of private corporations.

McCormack Baron Salazar, which had a hand in shaping the recommendations that led to HOPE VI, immediately made money off its work. Atlanta’s HOPE VI grant in 1993 was a windfall for the city. It was also the first money doled out under HOPE VI — a celebrated result of the Commission’s recommendations. This flagship grant was earmarked for the Techwood Homes, one of the United States’ oldest public housing projects. At a ribbon-cutting ceremony, Atlanta’s mayor hailed the \$42 million grant as a “rebirth” for the complex, where conditions had been officially named ‘severely distressed’ by the Commission.<sup>39</sup> The decline in conditions, like in San Francisco, was attributable to a housing authority bankrupted by bond profiteers and cuts to federal funding. In 1957, the Atlanta Housing Authority launched an \$18 million bond campaign for urban renewal and housing construction.<sup>40</sup> The bid was put up, and the financially ailing Atlanta Housing Authority transferred its \$42 million to one of the most prominent private developers in the

---

<sup>35</sup> “The Final Report,” 66.

<sup>36</sup> “The Final Report,” 66.

<sup>37</sup> The Final Report,” 66.

<sup>38</sup> “The Final Report,” iii.

<sup>39</sup> “HUD Grants AHA Fund for Techwood/Clark Howell,” *Atlanta Daily World*, Dec. 23, 1993, ProQuest.

<sup>40</sup> “Bond Funds for Urban Plan Asked,” *Atlanta Constitution*, Feb 21, 1957, ProQuest, 6.



country: McCormack Baron Salazar. Even at the outset of the HOPE VI program, housing authorities still reeling from a paucity of federal funds and the hangover of bonded debt were compelled to transfer over construction and management rights to private corporations—to the tune of tens of millions of government dollars.

The recommendations Richard Baron had helped to propagate while on the Commission relied on an understanding that his business would play an active role in redevelopment projects. Under HOPE VI, the vast power McCormack Baron Salazar would wield in reshaping urban built environments was also directly tethered to the hundreds of millions of federal funding it would receive. Existing scholarship that examines HOPE VI privatization belies the outsized role that corporate officers played in determining *who* would live *where*—and how much the movement and regulation of tenants themselves would bolster their bottom line.

As HOPE VI took off, piloted by a new set of corporate developers, the Clinton administration continued to advance destabilizing financial reforms. The 1998 Quality Housing and Work Responsibility Act allowed “housing authorities to issue bonds or otherwise borrow funds for the renovation or redevelopment of public housing.”<sup>41</sup> In a stunning reversion that harkened back to 1950s housing authority bond sales, this Clinton administration reform highlighted the willingness of the federal government to cast local housing authorities further into debt. Though HOPE VI advanced the privatization of specific public housing sites, alongside Clinton reforms such as the Quality Housing and Work Responsibility Act, it also hollowed out public housing authorities themselves.

Though the most dramatic privatization focused intently on bringing individual housing complexes under private control, the San Francisco Housing Authority (SFHA) was eventually brought into the same privately managed fold. This also allowed HOPE VI redevelopment to explode as housing authorities were authorized to bid for funds, sometimes beginning the process of relocation, and then handed off federal funding to private developers who tore down public housing complexes and rebuilt them. Most private developers then took over the management of the new complexes they built. By the 1990s, housing projects in the city were ailing, and many of their then-30,000 tenants lived in miserable conditions.<sup>42</sup> With federal funding still running dry

---

<sup>41</sup> Freemark and Vale, “Privatization,” 199.

<sup>42</sup> Dara Akiko Tom, “Public Housing Braces for Housecleaning: Social Services: Scathing Audit of San Francisco Units Cites Mismanagement and Lack of Repairs,” *Los Angeles Times*, May 5, 1996, ProQuest.

and a legacy of bonded debt hanging over the SFHA's head, conditions broached on uncontrollable. For Ruby Evans, a tenant living with her family in the Alice Griffith projects in the predominantly Black Bayview, conditions were dire. A reporter wrote: "Ruby Evans doesn't mind living in a four-bedroom apartment with two other adults and seven children. It's the torn linoleum, peeling wallpaper, graffiti-marred windows, urine-soaked porch, and the rats and armies of cockroaches that she can't stand."<sup>43</sup> Conditions like these dotted newspaper headlines and left public officials aghast: Mayor Willie Brown excoriated the SFHA for its shoddy conditions, while activists, civic leaders, and tenants demanded action. As the national press began to cover the conditions tenants were forced to grapple with, attention was drawn to the SFHA's apathetic board of commissioners. One former board member, Richard Carpeneti, called the SFHA Commissioners "crooked buffoons" who were focused on "their own selfish narrow financial and political agenda."<sup>44</sup> Though management was inept, they were also confronted by an impossible task: balancing the budget was seemingly inconceivable under the legacy of debt and corporate influence that had permeated the heart of the SFHA. The federal government remained indifferent and pointed a finger at SFHA management: "San Francisco is broken at the heart of its operations," said Kevin Marchman, a HUD official.<sup>45</sup>

In response to dire conditions, Mayor Brown asked HUD to put the SFHA into receivership and officially take over management of the troubled authority. In March 1996, the federal team, led by Kevin Marchman, began to control the SFHA. However, the federal government's takeover did not remain in HUD's hands. CVR Associates, a company founded a year prior in 1995 was selected to manage the SFHA alongside federal authorities. Ana Vargas, the CEO of CVR Associates, went from a career in bond management at Prudential, to working in the Denver housing authority as it grappled with its own debt crisis.<sup>46</sup> In 1995, she joined the federal government as it managed the Chicago Housing Authority under the same model of receivership placed onto San Francisco.<sup>47</sup> The SFHA had been hollowed out, driven into the ground not only by poor management, but also by an artificial austerity diet that had begun under a powerful regime

---

<sup>43</sup> Akiko Tom, "Public Housing Braces."

<sup>44</sup> Carey Goldberg. "San Francisco Housing Authority Serves as a Model of Decay." *New York Times*, May 24, 1996.

<sup>45</sup> Goldberg, "San Francisco Housing Authority...Decay."

<sup>46</sup> "40 Under 40," *Crain's Chicago Business*, 1997.

<sup>47</sup> Edward Walsh, "U.S. to Take Over Control of Troubled Chicago Public Housing Authority," *Washington Post*, May 28, 1995, ProQuest.

of municipal bonds that bound projects and their tenants to powerful financial interests. Under this privatized federal takeover, extensive HOPE VI development began to take place.

As civic pressure to address disrepair mounted on the SFHA before the HUD takeover, it began to dole out federal money indiscriminately in hopes of tamping down its problems. In 1993, as the board was mired in scandal, the SFHA put up a request for proposals to redevelop two Hayes Valley apartment complexes, Hayes Valley North and South. They gave the money to a corporation that had become ubiquitous: McCormack Baron Salazar, which was authorized to demolish both Hayes Valley complexes in 1995. While their contract with the SFHA was not specific about the amount, McCormack knew that they would receive an enormous sum. But once auditors looked closer at the deal SFHA officials had struck with McCormack, they noticed a streak of corruption. Once the federal takeover was in motion and CVR Associates was at the helm of the SFHA, a HUD audit lambasted the previous management for “possible favoritism” in selecting McCormack.<sup>48</sup> Keeping in line with federal deference to private interests, HUD auditors did not recommend any corrective action for McCormack or SFHA officials. Instead, CVR Associates was permitted to hand off \$22 million in federal funds to McCormack, moving forward with the development.<sup>49</sup> Under the federal takeover that was justified by SFHA mismanagement, HUD and CVR Associates pushed forward even more dramatic corporate boosterism.

Tenant leaders excoriated the unilateral approach of the federal takeover: “they do not want residents to work with each other,” said Rosemary Ozan, President of the Public Housing Tenants Association (PHTA).<sup>50</sup> Ozan and the other officers agreed — a reporter wrote that “their treatment from the HUD takeover team has been consistently shabby and unprofessional.”<sup>51</sup> The tenant leaders received mixed messages — they were told their bylaws looked fine, then told to change them; their budget was approved, then pulled. “They’re dealing with us like we’re children,” complained Sharen Hewitt, a facilitator for the tenant leaders.<sup>52</sup> As federal authorities and CVR Associates directed federal funds toward private developers, tenants raised their voices against the steamrolling of HOPE VI redevelopment that began to cast them out of their homes.

---

<sup>48</sup> Glenn S. Warner, “Audit Memorandum 97-SF-201-1803” (United States Department of Housing and Urban Development, Washington, D.C., 1997), 1.

<sup>49</sup> Warner, “Audit Memorandum 97-SF-201-1803,” 1.

<sup>50</sup> Max Millard, “Public Housing Residents Charge Shabby Treatment by Federal Takeover Team,” *San Francisco Sun-Reporter*, Aug. 1, 1996, ProQuest.

<sup>51</sup> Millard, “Shabby Treatment by Federal Takeover Team.”

<sup>52</sup> Millard, “Shabby Treatment by Federal Takeover Team.”

The apartments in Hayes Valley were not the only communities in line to be razed: HUD and CVR Associates disbursed HOPE VI funds much more efficiently than housing authorities in other cities under local control. The privatized federal takeover also accelerated demolitions. “At least four complexes, recipients of federal Hope VI funds, are scheduled for demolition this year. They will be replaced with townhouse-style units,” read a 1996 news article.<sup>53</sup> From 1993 to 1998, San Francisco built 982 units with HOPE VI money — a testament to the magnitude of the city’s program. In comparison to other cities that had received HOPE VI funds during the same period, like Detroit, which built 79 new units, or Chicago, which built no new units, the impact of the San Francisco program under privatized management was pronounced.<sup>54</sup>

Only some of the nearly 1,000 apartments built under HOPE VI in San Francisco between 1993 and 1998 were public housing units. Some apartment complexes, like Hayes Valley North and South, were rebuilt by private developers with fewer public housing units, though new apartments often had more bedrooms. As complexes were demolished and remade under HOPE VI, private developers used millions in federal money to create ‘mixed-income’ development. This offered private entities the capacity to invest federal money to later yield the profit of market-rate rent—corporations often managed the same complexes they built. It was intentional: a 2002 report by private consultants exalted the “use of [federal HOPE VI] grant money to leverage private capital to build additional low-income or market-rate housing.”<sup>55</sup> One plan put forward by a San Francisco-based developer for a housing project in Virginia suggested replacing a complex of 166 public housing units with 158 market-rate apartments and 52 public housing units.<sup>56</sup> The developer offered to build 48 other public housing units scattered throughout the area.<sup>57</sup> Private developers practiced this strategy nationwide. From 1993 to 2008, 96,200 public housing units were torn down, and replaced by 107,800 units, either through construction or renovation. But only 56,800 of those new units were affordable for households at the bottom of the income bracket — a net

---

<sup>53</sup> Akiko Tom, “Public Housing Braces.”

<sup>54</sup> Melita Marie Garza, “Stalemate delaying new public housing,” *Chicago Tribune*, Nov. 15, 1999.

<sup>55</sup> Office of Public Housing Investments, U.S. Department of Housing and Urban Development, *The HOPE VI Resident Tracking Study*, Abt Associates Inc., Washington, D.C.: 2002, 2.

<sup>56</sup> Fredrick Kunkle, “Living in the Middle of a Crossroads: Residents of a 59-Year-Old Public Housing Complex in Old Town Uneasily Await some Sign of Change New Chapter Lags in Years-Old Story,” *The Washington Post*, June 14, 2001.

<sup>57</sup> Kunkle, “Living in the Middle.”

loss.<sup>58</sup> HOPE VI funds permitted private developers to reduce the number of public housing units in a complex, build profitable market-rate housing, and see returns on federal money intended to provide working-class people with affordable homes.

Nowhere were the beginnings of a financialized privatization of living space more evident than in the Plaza East Apartments in San Francisco's mostly-Black Western Addition neighborhood. In 1993, Plaza East was named part of the inaugural slate of projects that would be reconstituted under HOPE VI, alongside Hayes Valley and Bernal Dwellings. Built in 1956, just as housing authority bond sales began to pick up and finance its development, Plaza East was a high-rise complex home to 276 households. Even early on, poor maintenance and surface disinvestment made conditions taxing for residents. In 1981, then-Mayor Diane Feinstein urged the SFHA to “allocate a significant amount of money” to renovate the ailing complex, known by the mid-1990s as “O.C., for out of control.”<sup>59</sup> Conditions in the complex were dire after decades of bondholder investment, where tenants’ rents were siphoned off by financiers, forcing skyrocketing maintenance costs to be routinely kicked to the curb by the SFHA. “The rats and roaches are O.C.,” wrote *the New York Times*. “The crime is O.C. The physical decay is O.C., as seeping rain sends flakes of leaded paint onto kitchen floors where children play.”<sup>60</sup> Plaza East was a striking example of the aftereffects of bonded debt — and was thereby a prime site for HOPE VI.

When the federal government awarded the SFHA \$50 million for the redevelopment of Plaza East and another project, public attention focused on the inevitable expulsion of hundreds of families from the site so it could be razed. In 1995, the SFHA held hearings on the relocation, with its application for funds still pending.<sup>61</sup> The next year, as CVR Associates and HUD took the reins of the SFHA, Plaza East residents were first forced out. Shirley Fox, who had been living in Plaza East for 17 years, was contending with a disability and the recent loss of her husband when she was kicked out of her home.<sup>62</sup> Living on a fixed income, she had few options when she was told to leave the complex.<sup>63</sup> “They [HUD and CVR Associates employees] give us these Section 8

---

<sup>58</sup> U.S. Department of Housing and Urban Development, *Fiscal Year 2010 Budget*, Washington, D.C.: 2010.

<sup>59</sup> Goldberg, “San Francisco Housing Authority...Decay.”

<sup>60</sup> Goldberg, “San Francisco Housing Authority...Decay.”

<sup>61</sup> “901 Public Notices - File 206-95-001,” *San Francisco Examiner*, Mar. 4, 1995, D-8.

<sup>62</sup> Millard, “Shabby Treatment by Federal Takeover Team.”

<sup>63</sup> Millard, “Shabby Treatment by Federal Takeover Team.”



housing listings...but when you get there, there's nothing available," Fox told *the Sun-Reporter*.<sup>64</sup> A HUD official offered a racist suggestion to Fox's quandary: "cook a pot of greens and chicken and cornbread and invite your relatives over, and then get them to help you move, and rent a truck."<sup>65</sup> Fox explained that she had no money or driver's license — yet to the bureaucrats managing the privatized takeover of the SFHA, this was no matter: Fox would have to move.<sup>66</sup>

So would hundreds of others — despite extreme difficulty. Despite HUD and CVR Associates doling out Section 8 vouchers, Plaza East residents could not find San Francisco landlords who would take them. Some went to Oakland, and others went further, including "back South," said Rochelle Ore, whose friend moved out of her SFHA apartment and to Arkansas.<sup>67</sup> Moving out of Plaza East meant more than the severing of Black community ties in the Western Addition. It also made daily life essentials harder to reach for residents like Fox, pushed out of San Francisco to a part of the Bay where she "doesn't know her way around," or for Babs Dow, who needed "to remain in San Francisco to obtain kidney dialysis three times each week."<sup>68</sup> Dow offered a sobering perspective on the impact of the forced moves: "we did not expect as many of us to have to leave The City as did," she told *the Examiner*.<sup>69</sup> "They are breaking up generations of families," Dow said.<sup>70</sup> Activist groups fought back against CVR Associates and HUD's relocation efforts: the Eviction Defense Network slammed it as an "African removal plan," and Richard Brown, president of the Fillmore Community Empowerment Coalition, said that the HOPE VI process at Plaza East was "driving black people out of San Francisco."<sup>71</sup> The forced displacement of Plaza East tenants was the first threat to community cohesion marshaled by CVR Associates and HUD — and tenants understood the danger this corporate power posed.

Plaza East tenants marshaled organized resistance against the threat of privatization. The Plaza East Tenants Association, led by Cora Washington, enumerated a list of their priorities in order:

---

<sup>64</sup> Millard, "Shabby Treatment by Federal Takeover Team."

<sup>65</sup> Millard, "Shabby Treatment by Federal Takeover Team."

<sup>66</sup> Millard, "Shabby Treatment by Federal Takeover Team."

<sup>67</sup> Michael Dougan, "Displaced public housing tenants band together," *San Francisco Examiner*, Dec. 22, 1996, C-3.

<sup>68</sup> Millard, "Shabby Treatment by Federal Takeover Team;" Dougan, "Displaced tenants band together."

<sup>69</sup> Dougan, "Displaced tenants band together."

<sup>70</sup> Dougan, "Displaced tenants band together."

<sup>71</sup> Max Millard, "Public Housing Policies Causing Black Exodus from San Francisco," *San Francisco Sun Reporter*, July 4, 1996, ProQuest.

1. One on one replacement [of public housing units]. [;]
2. The demolition and reconstruction done in phases. [;]
3. Relocation: a. Contract between every tenant and housing, b. Safe and decent housing, c. Moving process. [;]
4. Section 8 certificate and voucher. [;]
5. Returning proveso. [sic] [;]
6. Education. [;]
7. Apprenticeship and job training. [;]
8. Drugs [programs] and other programs that are beneficial to the tenants. [;]
9. Job bank on site. [;]
10. Input on designing of Plaza East. [;]
11. On site facilities and advisor to deal with tenants needs.<sup>72</sup>

Tenants managed to win a slowdown in the forced relocation process, but the CVR-HUD team continued to push ahead.<sup>73</sup> SFHA Commissioner Karen Huggins acknowledged the proclivity of private developers to reduce the number of affordable units after displacing tenants: “at Plaza East, there are 294 people being displaced and the plan calls for only 194 dwellings to be built in their place. That's a loss of 100 families who won't return even if the returnees come from those displaced.”<sup>74</sup> As Plaza East tenants were pushed into the region and the country, the homes they left behind were steeped in uncertainty — it could easily be they who were left without a spot in their old complex. For the developer, this did not matter: they would still profit from whichever number of public housing units they decided would be built. The developer who would take up the reins of privatized displacement and management was offered definitive certainty by the SFHA and the federal team: a site to develop on, millions of federal funds, and the capacity to determine how many families would be able to return and how many would be forced to find another home.

Despite tenant pushback, CVR Associates and HUD swept aside concerns as the \$50 million HOPE VI grant was prepared to be handed off to a private developer:

Acting Housing Authority Executive Ted Desientfrey reported to the commission last week that the government agency's representative stated that no resident input was needed or would be required to begin the destruction of the housing projects called Plaza East or Bernal Dwelling[s,] each of which are slated for demolition.<sup>75</sup>

By charging ahead, CVR Associates sidestepped residents' qualms about their displacement, and adeptly took control of federal funds that would be handed off to another private entity. In just a couple of years, they rolled out a proverbial red carpet for a developer, clearing the land and

---

<sup>72</sup> Huel Washington, “Low-Income Residents Seek Input on Displacement,” *San Francisco Sun Reporter*, Mar. 9, 1995, ProQuest, 3.

<sup>73</sup> Millard, “Public Housing Policies.”

<sup>74</sup> Huel, Low-Income Residents,” 3.

<sup>75</sup> Huel, Low-Income Residents,” 3.

securing necessary paperwork in advance of awarding the grant money. By 1997, residents were gone, and the Plaza East site was reduced to rubble. In its wake, CVR Associates and HUD tendered the following invitation to developers and other private corporate entities: “proposals are encouraged to include a proposed tax credit investor, a property management agent, a general contractor.”<sup>76</sup> The allure was evident: valuable property worth millions sat ready for construction, and the developer selected would receive tens of millions for construction. The ad proudly noted that “the Authority has already secured funding through a HOPE VI grant award.”<sup>77</sup> CVR Associates did the federal government’s bidding in clearing the way for private development, overseeing a three-year process to procure permits, planning, environmental approvals, and construction documents.<sup>78</sup> The next step would be handing off the lucrative setting to a developer. CVR Associates and HUD, a privatized federal takeover of a local government agency, chose McCormack Baron Salazar to receive tens of millions and redevelop Plaza East.

The disbursement of federal funds from one private company, CVR Associates, to another, McCormack Baron Salazar, marked a critical turn in public housing policy. HOPE VI permitted for-profit companies to gain dominion over streams of state capital that could be put to work for private profits. This relationship characterized the beginning of HOPE VI redevelopment at Plaza East. Another tool of private profit was policing in the wake of 1960s uprisings and ‘One Strike’ evictions used to criminalize public housing residents — tactics critical to tracing the strong connections between bonded debt and HOPE VI.

Policing and carceral policies were critical for implementing HOPE VI and establishing an extractive relationship between poor public housing tenants and private corporations. As bonds turned public housing in Black neighborhoods like Hunters Point into profitable investments, municipal officials looked to policing as a means for controlling urban dissent — they did not want potential bond buyers to be scared away. This hardline effort to diminish Black resistance precipitated the use of ‘One Strike’ evictions under HOPE VI’s private management, which ejected ‘undesirable’ residents to protect corporate investment in public housing.

Bondholders’ private investment in public housing was protected by policing. The millions sunk into neighborhoods like the Western Addition came just a few years before riots would take

---

<sup>76</sup> “805 Public Notices,” *San Francisco Examiner*, Jan. 2, 2000, CL30.

<sup>77</sup> “805 Public Notices,” *San Francisco Examiner*, Jan. 2, 2000, CL30.

<sup>78</sup> “805 Public Notices,” *San Francisco Examiner*, Jan. 2, 2000, CL30.

place in the same neighborhoods. While the state would permit petty crime that affected the quality of life for Black San Franciscans, they drew the line at riots that could threaten property values and the perceived viability of bondholders' investments. In 1966, city officials regarded the Hunter's Point community with a particular wariness — redevelopment and SFHA officials wrote to federal housing officials, asking for federal support to avert a riot similar to Watts in 1965.<sup>79</sup> When teenager Matthew Johnson was killed by an SFPD officer in September 1966, the community responded to his death and the slew of injustices inflicted on their neighborhood over decades, including rampant pollution by the U.S. Navy. Ruth Williams, a housing activist and member of the Bayview-Hunter's Point 'Big Five,' a group of Black women who advocated against poverty and discrimination in the 1960s and 1970s, made no misrepresentations about the shooting: “it was cold-blooded murder. That cop shot him in the back — it's as simple as that.”<sup>80</sup> The neighborhood rose, “battling the police with rocks and clubs. Some fired pistols.”<sup>81</sup> The city called in 2,000 National Guardsmen, and by the end of the night on September 29, 10 San Franciscans were injured by gunfire, and 25 were arrested.<sup>82</sup> By the next day, 80 were in jail.<sup>83</sup> Mayor John Shelley and city officials called attention to the need for employment programs at Black leaders' urging.<sup>84</sup> They stressed the need for a restoration of funds under President Johnson's Manpower Defense Training Act, which had been divested from San Francisco to the detriment of Black communities like Hunters Point and immigrant communities like Chinatown.<sup>85</sup> But other state responses to community revolt were much more punitive.

Mayor Alioto created the SFPD's 'Tactical Squad' in 1967, just a year after. Used to police and control the San Francisco State strike in 1968, the Squad was notoriously brutal in its efforts to control masses of people.<sup>86</sup> A *Sun Reporter* article declared that “the police are excessively

---

<sup>79</sup> Jenkins, 132.

<sup>80</sup> Amanda Bartlett, “A Social Uprising, an Earthquake and Opera: SF's Oldest Theater Has Seen It All,” *SFGATE*, Mar. 24, 2021; “What They Say,” *Baltimore Afro-American*, Oct. 8, 1966, ProQuest.

<sup>81</sup> Lawrence E. Davies, “Racial Violence Breaks Out Again in San Francisco,” *New York Times*, Sep. 29, 1966, ProQuest.

<sup>82</sup> Davies, “Racial Violence.”

<sup>83</sup> Lawrence E. Davies, “Calm Is Restored in San Francisco,” *New York Times*, Sep. 30, 1966, ProQuest.

<sup>84</sup> Davies, “Racial Violence;” Jenkins, 133.

<sup>85</sup> Davies, “Calm Is Restored;” Jenkins, 134.

<sup>86</sup> Jason Ferreira, “1968: The strike at San Francisco State,” interview by Julien Ball and Melanie West, *San Francisco Bay View*, Dec. 28, 2018.

brutal in their relations with the people with whom they deal.”<sup>87</sup> In 1969, Clinton Jeffers, president of the Ingleside NAACP, offered an 11-point peace plan before the San Francisco Police Commission. His plan focused on the “demilitarization of the police, in which the Tactical Squad, the bane of blacks and those who are regarded as liberals, would be abolished”<sup>88</sup> As the SFHA was bled dry during the late 1960s, the Tactical Squad became a mainstay. It protected private investment in Black neighborhoods and ensured that urban uprisings did not deter new bond buyers from putting their money into public housing and other projects reliant on bonds. This same goal was at the heart of a widely publicized package of housing loans from the Bank of America.

The Tactical Squad was the most dramatic of state responses to the Bayview-Hunters Point uprising: but a slew of housing loans from the private sector was just as impactful and worked at the same goals. The Bank of America proudly announced a \$100 million set of mortgage loans in 1968, pledging to aid not just “the Watts area of Los Angeles, the Hunters Point-Bayview section of San Francisco,” but communities up and down California “classified by the Federal Housing Administration as riot-prone and blighted.”<sup>89</sup> The bank relied on “a special force of lending officers with many years of experience in minority areas,” deploying the same expertise that grew out of the thriving municipal bond market.<sup>90</sup> These loans would make the bank money, and preyed on the Black communities they claimed to be strengthening. Tellingly, the Bank of America held more than \$270 million in public housing bonds by September 1965 — and its redoubled focus on loans in the urban core spoke to the windfall profits it could make by working alongside police to keep urban uprisings tamed.<sup>91</sup>

Under HOPE VI, HUD encouraged private companies to use ‘One Strike’ evictions to displace tenants under a large-scale campaign. The rule evicted entire households if one member was arrested, or sometimes merely if an arrest could be connected to them.<sup>92</sup> Often, no criminal conviction was necessary for evictions under One Strike to be pushed through.<sup>93</sup> Though established by the Reagan administration in 1988, one-strike evictions became a focus of the

---

<sup>87</sup> “Cops Offered 11-Point Harmony Plan,” *San Francisco Sun Reporter*, Mar. 29, 1969, ProQuest.

<sup>88</sup> “Cops Offered.”

<sup>89</sup> Lawrence E. Davies, “\$100-Million is Pledged for Coast Slum Areas,” *New York Times*, July 10, 1968, ProQuest.

<sup>90</sup> Davies, “\$100-Million Is Pledged.”

<sup>91</sup> Jenkins, 99.

<sup>92</sup> Baranski, 193.

<sup>93</sup> Emory Curtis, “Another View: Callously Mean Public Housing Policy,” *Sun Reporter*, Jul 25, 1996, ProQuest.



Clinton administration's push to criminalize public housing residents.<sup>94</sup> The administration put overt pressure on HUD to enforce one-strike eviction policies and created the "One Strike and You're Out" screening and eviction policy in 1996. Baranski quotes Kevin Marchman, the supervisor of San Francisco's privatized federal receivership, who said that "if you [tenants] do act up, it's going to be quicker getting you out."<sup>95</sup> But existing scholarship ignores the power this policy yielded to private management in San Francisco. The year this policy was brought to the fore, CVR Associates was at the helm of the SFHA, thereby uniquely prone to implement federal government directives.

In the projects not yet privatized, CVR Associates and HUD weaponized One Strike's focus on criminalized evictions. A *Sun-Reporter* article told the story of the 63-year-old Mrs. Greene. Greene, a member of the tenants association at the SFHA's Alemany project in Bernal Heights, was served an eviction notice after her 38-year-old son was convicted of selling marijuana.<sup>96</sup> Though it was unclear if her son lived in the apartment at all, Mrs. Greene and her grandson were forced out of their home and blocked from receiving legal aid to defend against their eviction.<sup>97</sup> CVR Associates and HUD, not the SFHA, were responsible for the brutal implementation of this pointed policy. CVR Associates also deployed one-strike evictions in a pre-criminal capacity to evict tenants. In the North Beach projects, the Asian Law Caucus reported that a tenant received an eviction notice after a young person in her care was accused of attempting to rob someone.<sup>98</sup> Though charges were never filed against the youth, CVR Associates and HUD pushed ahead in the eviction process. This private-federal alliance controlling the SFHA was intent on using One Strike to the fullest extent of its power, and effectively cleared the way for private management to move in with a strict set of rules.

In 1997, HUD encouraged private management to harshly rewrite tenant leases under a revised version of the Admissions and Continued Occupancy Policy (ACOP). That year, HUD offered local authorities and private entities "more power to transfer tenants to other projects, conduct home visits, and evict tenants."<sup>99</sup> ACOP rules were templates: private management could

---

<sup>94</sup> Baranski, 193.

<sup>95</sup> Baranski, 193.

<sup>96</sup> Curtis, "Another View."

<sup>97</sup> Curtis, "Another View;" Baranski, 193.

<sup>98</sup> Curtis, "Another View."

<sup>99</sup> Baranski, 193.

use HUD rules as a low bar, but if they so chose, they could integrate other, stricter rules into leases as well. In the wake of HOPE VI, the John Stewart Company, which redeveloped and managed the North Beach project, implemented a “17-page list of house rules that overlap with the Housing Authority’s rules but are much stricter.”<sup>100</sup> Residents were barred from barbecuing, wearing bathrobes, going barefoot, roller-skating, riding bikes, or playing with balls.<sup>101</sup> Guests were banned after 10 P.M. and taking photos or videos was not permitted.<sup>102</sup> Tenants at North Beach Place were inconvenienced and frustrated: one told a writer that “they [John Stewart Co.] don’t let you stand on the sidewalk, so I have to stand on the street waiting for my children to come home from school... They won’t let my kids play.”<sup>103</sup> These rules were not arbitrary — they were useful for private corporations that wanted ‘undesirable’ tenants out. In instances of doubt or a gap between the attitude of an SFHA ACOP or one from a private corporation, the SFHA made it clear: the “more restrictive policy prevails.”<sup>104</sup> Under the control of private management funded by HOPE VI, tenants faced eviction not just for One Strike infractions, but also for breaking small rules like those implemented by the John Stewart Company at North Beach Place, altering their lives, and splitting Black and immigrant communities apart.

Beyond preserving investment in the late 1960s, the establishment of the Tactical Squad and the landmark investment from Bank of America inscribed the importance of policing and control onto the relationship between public housing and private profit. This enduring relationship made ‘One Strike’ eviction under HOPE VI possible, permitting private corporations to get off the sidelines and take the reins, employing carceral logic to become the very entities that cast public housing tenants onto the street.

The demolition and rebuilding that HOPE VI funded was a crucial tool for private management to efficiently cast tenants out. Relocation began to function as ‘soft’ eviction where tenants could be denied return to their old home because of their criminal record, simply because there were fewer apartments in the new development, or because of citizenship status—a critical tool for private management at North Beach Place. In this vein, displacement became inseparable

---

<sup>100</sup> Deia de Brito, “Public Housing in San Francisco’s Hunters Point,” *Race Poverty and the Environment* 16, no. 1 (Spring 2009), <https://www.reimaginerpe.org/node/4525>.

<sup>101</sup> de Brito, “Public Housing.”

<sup>102</sup> de Brito, “Public Housing.”

<sup>103</sup> de Brito, “Public Housing.”

<sup>104</sup> San Francisco Housing Authority, *ACOP 100118*, San Francisco: 2019.

from HOPE VI practices writ large. North Beach Place was home to immigrant tenants with different citizenship statuses; when private management began its attempt to cull ‘undesirable’ tenants from the project, they threatened to weaponize citizenship for profit.

“‘I’m scared,’ said [Quoc Hung Luu], who speaks little English. ‘I don’t know what to do,’” read *Asianweek* magazine as immigrant tenants at North Beach were threatened with the prospect of not being able to return home after HOPE VI redevelopment.<sup>105</sup> “‘It’s not fair,’ said Thomas Toy, a Chinese American who has lived at the North Beach housing project for more than 20 years. ‘We pay taxes, too.’”<sup>106</sup> About 40% of families at North Beach Place were Asian-American, and many were immigrants.<sup>107</sup> HUD’s nebulous ‘eligibility guidelines’ enabled private corporate management to move tenants in and out at their will before and after HOPE VI redevelopment, all on HUD’s dime. But in San Francisco, these efforts soon faced “virulent opposition.”<sup>108</sup> Tenants fought back, pushing San Francisco city government to prevent the developer, John Stewart Co., from functionally evicting tenants based on citizenship. But a 2000 proposal to city council failed—tenants were only able to win a commitment from the developer for a one-for-one replacement of public housing units. Despite this, only 36% of North Beach tenants returned.<sup>109</sup> Citizenship was a powerful tool for corporate management to cast tenants out of public housing complexes and was a direct outgrowth of One Strike policies that criminalized tenants.

HOPE VI transformed public housing into a tool for newly formed private developers to increase their wealth. Built on a legacy of bonded debt that prioritized large corporate interests and bankrupted housing authorities, HOPE VI was optimized to target housing authorities’ needs while enriching business. As housing authorities struggled to balance their budgets under the decades long impacts of bond sales, federal reforms molded by private interests settled on a program that required unprecedented private control of public housing. In demolition, rebuilding, and management under HOPE VI, private businesses capitalized on the financial weaknesses of public housing authorities to deal striking blows to the longevity and cohesion of San Francisco’s Black and immigrant neighborhoods. Countering the traditional ‘rise and fall’ narrative, I demonstrate in

---

<sup>105</sup> Bert Eljera, “Citizens Only Need Apply: New Immigration and Welfare Laws could Wreak Havoc on Public Housing,” *Asianweek*, Dec 26, 1996, ProQuest.

<sup>106</sup> Eljera, “Citizens Only.”

<sup>107</sup> Eljera, “Citizens Only.”

<sup>108</sup> Dan Thanh Dang, “Skepticism greets plan for renewal,” *Baltimore Sun*, Jun. 1, 1998, Newspapers.com, 4B.

<sup>109</sup> Amy L. Howard, *More Than Shelter* (Minneapolis: University of Minnesota Press, 2014), 191.

this essay that federal reforms, a privatized takeover of the SFHA, at Plaza East, and via criminalization like One Strike and around citizenship status, profit for a select group of development companies became contingent on federally subsidized control of a public good.

## Bibliography

### Primary Sources

- Akiko Tom, Dara. "Public Housing Braces for Housecleaning: Social Services: Scathing Audit of San Francisco Units Cites Mismanagement and Lack of Repairs." *Los Angeles Times*, May 5, 1996, ProQuest.
- Bartlett, Amanda. "A Social Uprising, an Earthquake and Opera: SF's Oldest Theater Has Seen It All." *SFGATE*. Mar. 24, 2021.
- Bond Department, Chase Manhattan Bank. "A practical resolution for 1956." Advertisement. *New York Times*. Jan. 5, 1956.
- "Bond Funds for Urban Plan Asked." *Atlanta Constitution*. Feb. 21, 1957. ProQuest.
- "Cops Offered 11-Point Harmony Plan." *San Francisco Sun-Reporter*. Mar. 29, 1969. ProQuest.
- Curtis, Emory. "Another View: Callously Mean Public Housing Policy." *San Francisco Sun-Reporter*. July 25, 1996. ProQuest.
- Da Costa, Francisco. "Newsom gives San Francisco's most affordable housing to developers to destroy." *San Francisco Bay View*, July 1, 2009.
- Dang, Dan Thanh. "Skepticism greets plan for renewal." *Baltimore Sun*. Jun. 1, 1998. Newspapers.com.
- Davies, Lawrence E. "Calm Is Restored in San Francisco." *New York Times*. Sep. 30, 1966. ProQuest.
- Davies, Lawrence E. "Racial Violence Breaks Out Again in San Francisco." *New York Times*. Sep. 29, 1966. ProQuest.
- Davies, Lawrence E. "\$100-Million is Pledged for Coast Slum Areas." *New York Times*. July 10, 1968. ProQuest.
- de Brito, Deia. "Public Housing in San Francisco's Hunters Point." *Race Poverty and the Environment* 16, no. 1 (Spring 2009). <https://www.reimaginerpe.org/node/4525>.
- Dougan, Michael. "Displaced public housing tenants band together," *San Francisco Examiner*, Dec. 22, 1996.

- Eljera, Bert. "Citizens Only Need Apply: New Immigration and Welfare Laws could Wreak Havoc on Public Housing." *Asianweek*. Dec 26, 1996. ProQuest.
- Ferreira, Jason. "1968: The strike at San Francisco State," interview by Julien Ball and Melanie West, *San Francisco Bay View*, Dec. 28, 2018.
- Garza, Melita Marie. "Stalemate delaying new public housing." *Chicago Tribune*. Nov. 15, 1999. ProQuest.
- George, John. "No on Prop. 13." *Sun Reporter*, May 11, 1978, ProQuest.
- Goldberg, Carey. "San Francisco Housing Authority Serves as a Model of Decay." *New York Times*, May 24, 1996. <http://search.proquest.com.ezp-prod1.hul.harvard.edu/historical-newspapers/san-francisco-housing-authority-serves-as-model/docview/109655780/se-2?accountid=11311>.
- Hager, Philip. "San Francisco Faces Growing Crisis in Low-Income Housing: San Francisco's Poor Face Housing Crisis." *Los Angeles Times*. Dec. 22, 1969. <http://search.proquest.com.ezp-prod1.hul.harvard.edu/historical-newspapers/san-francisco-faces-growing-crisis-low-income/docview/156294651/se-2?accountid=11311>.
- Howard, Amy L. *More Than Shelter*. Minneapolis: University of Minnesota Press. 2014.
- "HUD Grants AHA Fund for Techwood/Clark Howell." *Atlanta Daily World*. Dec. 23, 1993. ProQuest.
- Kunkle, Frederick. "Living in the Middle of a Crossroads: Residents of a 59-Year-Old Public Housing Complex in Old Town Uneasily Await some Sign of Change New Chapter Lags in Years-Old Story." *Washington Post*. June 14, 2001. Newspapers.com
- Office of Policy Development and Research, U.S. Department of Housing and Urban Development. *The Evolution of HUD's Public-Private Partnerships*. Washington, D.C.: 2015. [https://www.huduser.gov/hud50th/HUD2-048-Public-Private\\_Partnership\\_508.pdf](https://www.huduser.gov/hud50th/HUD2-048-Public-Private_Partnership_508.pdf).
- Office of Public Housing Investments, U.S. Department of Housing and Urban Development. *The HOPE VI Resident Tracking Study*. Abt Associates Inc. Washington, D.C.: 2002.
- Millard, Max. "Public Housing Policies Causing Black Exodus from San Francisco." *San Francisco Sun-Reporter*. July 4, 1996. ProQuest.

Millard, Max. "Public Housing Residents Charge Shabby Treatment by Federal Takeover Team." *San Francisco Sun-Reporter*. Aug. 1, 1996. <http://search.proquest.com.ezp-prod1.hul.harvard.edu/newspapers/public-housing-residents-charge-shabby-treatment/docview/366975237/se-2?accountid=11311>.

"Quarrel Over Housing." *San Francisco Sun-Reporter*, Nov. 25, 1972, ProQuest.

San Francisco Housing Authority. *ACOP 100118*. San Francisco: 2019.  
<https://archive.org/details/5979945-ACOP-100118/page/n27/mode/2up>

"The Final Report." National Commission on Severely Distressed Public Housing, Washington, D.C., 1992.

U.S. Department of Housing and Urban Development. *Fiscal Year 2010 Budget*. Washington, D.C.: 2010.

Walsh, Edward. "U.S. to Take Over Control of Troubled Chicago Public Housing Authority." *Washington Post*. May 28, 1995. <http://search.proquest.com.ezp-prod1.hul.harvard.edu/historical-newspapers/u-s-take-over-control-troubled-chicago-public/docview/903460128/se-2?accountid=11311>.

Warner, Glenn S. "Audit Memorandum 97-SF-201-1803." United States Department of Housing and Urban Development, Washington, D.C., 1997.

Washington, Huel. "Low-Income Residents Seek Input on Displacement." *Sun Reporter*, Mar 09, 1995. <http://search.proquest.com.ezp-prod1.hul.harvard.edu/newspapers/low-income-residents-seek-input-on-displacement/docview/367124282/se-2?accountid=11311>.

"What They Say." *Baltimore Afro-American*. Oct. 8, 1966. ProQuest.

"40 Under 40." *Crain's Chicago Business*. 1997.

"805 - Public Notices." *San Francisco Examiner*. Jan. 2, 2000.

"901 - Public Notices - File 206-95-001," *San Francisco Examiner*, Mar. 4, 1995.

## Secondary Sources

- Baranski, John. *Housing the City by the Bay: Tenant Activism, Civil Rights, and Class Politics in San Francisco*. Stanford, California: Stanford University Press. 2019.
- Freemark, Yonah. "Myth #5. Public Housing Ended in Failure During the 1970s." In *Public Housing Myths*, edited by Nicolas Dagen Bloom, Fritz Umbach, and Lawrence J. Vale, 121–38. Ithaca: Cornell University Press. 2018.
- Frug, Gerald E., and David J. Barron. *City Bound: How States Stifle Urban Innovation*. Ithaca: Cornell University Press, 2008.
- Freemark, Yonah and Lawrence J. Vale. "The Privatization of American Public Housing: Leaving the Poorest of the Poor Behind." In *The Routledge Handbook of Housing Policy and Planning*, edited by Katrin B. Anacker, Mai Thi Nguyen, and David P. Varady, 189-206. Oxfordshire, U.K.: Routledge, 2019.
- Jenkins, Destin. *The Bonds of Inequality: Debt and the Making of the American City*. Chicago: The University of Chicago Press. 2021.
- Orlebeke, Charles J. "The Evolution of Low-Income Housing Policy, 1949 to 1999." *Housing Policy Debate* 11, no. 2. Quoted in Freemark, Yonah and Lawrence J. Vale. "The Privatization of American Public Housing: Leaving the Poorest of the Poor Behind." In *The Routledge Handbook of Housing Policy and Planning*, edited by Katrin B. Anacker, Mai Thi Nguyen, and David P. Varady, 189-206. Oxfordshire, U.K.: Routledge, 2019.
- Schwartz, Alex F. *Housing Policy in the United States*. Boca Raton: Routledge, 2015. Quoted in Freemark, Yonah and Lawrence J. Vale. "The Privatization of American Public Housing: Leaving the Poorest of the Poor Behind." In *The Routledge Handbook of Housing Policy and Planning*, edited by Katrin B. Anacker, Mai Thi Nguyen, and David P. Varady, 189-206. Oxfordshire, U.K.: Routledge, 2019.



Oracle: The History Journal of Boston College

---

Volume IV | Issue I

Article 2

---

**American Atlantis: Franklin D. Roosevelt's Attempt to Reshape the Relationship Between Native Americans and the Federal Government During the Great Depression and World War II**

Joshua Losapio

*Boston College*, [joshualosapio@gmail.com](mailto:joshualosapio@gmail.com)

**AMERICAN ATLANTIS: FRANKLIN D. ROOSEVELT’S ATTEMPT TO RESHAPE  
THE RELATIONSHIP BETWEEN NATIVE AMERICANS AND THE FEDERAL  
GOVERNMENT DURING THE GREAT DEPRESSION AND WORLD WAR II**

JOSHUA LOSAPIO \*

**Abstract:** This paper uses primary and secondary sources to review U.S. President Franklin D. Roosevelt's policies toward Native Americans, commonly referred to by historians as the "Indian New Deal." Roosevelt sought to undo the injustices carried out against American Indians by the implementation of the Dawes Act, which deprived Indigenous Americans of ninety million acres of land from 1887 to 1934. His Commissioner for the Bureau of Indian Affairs, John Collier, oversaw public works projects that provided jobs to American Indians in the depths of the Great Depression while the Wheeler-Howard Act helped restore tribal sovereignty and return land to indigenous groups. Yet Collier’s weaknesses as an administrator resulted in a disastrous livestock reduction program and clashes with the Navajo tribe, which led a decade-long campaign for his ouster. Despite Roosevelt’s noble intentions, the Indian New Deal produced mixed results. The Roosevelt administration elevated standards of living among indigenous tribes and rectified many of the abuses carried out against American Indians by the federal government. At the same time, the Indian New Deal instituted policies of its own that caused severe damage to the very people who Roosevelt and Collier were trying to help.

The United States of America entered the 1930s while on a headlong spiral into economic blight, political chaos, and humanitarian catastrophe. The glittering, decadent world of the Roaring Twenties had collapsed in on itself when the stock market fell in a resounding crash that gave birth to the Great Depression. While many of the world’s leading powers from Nazi Germany to Communist Russia were consumed by the moral darkness of authoritarianism, the United States of America emerged from the 1930s as a more democratic nation that had taken a step closer to the still elusive vision of a land promised by the U.S. Declaration of Independence where, “all men

---

<sup>1</sup> Joshua Losapio is a graduate of Boston College, where he earned a Bachelor of Arts in Political Science with a minor in History in 2021. Before deciding to pursue a law degree, Joshua interned for U.S. Representative James P. McGovern and he worked for the law firm WilmerHale in Washington, DC. After earning his law degree, Joshua seeks to become a litigator and legal scholar. Prior to studying law, Joshua studied filmmaking at Emerson College and he remains a devoted movie buff.

are created equal.” Through the New Deal the U.S. government recognized the right of trade unions to organize, provided a social safety net for the elderly and unemployed, and lifted millions out of unemployment through an alphabet soup of new agencies from the Works Progress Administration to the Civilian Conservation Corps.

Nonetheless, the New Deal produced mixed results in the area of civil rights. While federal programs helped to elevate racial minorities from economic destitution, they also prevented non-white Americans from receiving an equal distribution of benefits throughout the implementation of the New Deal. The Indian New Deal — President Franklin D. Roosevelt’s attempt to reform federal Indian policy and improve quality of life for America’s indigenous tribes — was no exception to FDR’s imperfect record on race relations. Although the Indian New Deal resulted in historic strides forward for American Indians, it also unleashed harmful policies that undercut Roosevelt’s efforts to aid indigenous tribes.

By the time the New Deal came to fruition in 1933, life for American Indians had been dramatically transformed in the past century. A hundred years before the Democrats were the party of Franklin Roosevelt, Andrew Jackson and Martin Van Buren had used the fearsome might of the federal government to force the Choctaw, Cherokee, Chickasaw, Creek, and Seminole Tribes from their homes in the southern United States to an unfamiliar land across the Mississippi River — resulting in over three thousand deaths along the infamous Trail of Tears. In the following decades, the United States military pursued American Indians across the vast expanse of the Great Plains while consigning indigenous people to reservations where they were forced to assimilate into European-American culture. One by one, American Indian tribes from the Comanche and the Cheyenne to the Lakota and the Dakota were defeated on the field of battle and made to give up their land to the government at gunpoint. While American Indians lived on reservations overseen by Senate-appointed Indian agents, white reformers worked to assimilate indigenous tribes by converting them to Christianity and educating their children in boarding schools that stripped young American Indians of their tribal identities.<sup>2</sup>

Crucially, federal policymakers sought to transform American Indians from nomadic hunter-gatherers into individual farmers who lived off agriculture just like white settlers. This was

---

<sup>2</sup> Catherine Denial, “Reservations, Resistance, and the Indian Reorganization Act, 1900-1940,” *Digital Public Library of America*, <https://dp.la/primary-source-sets/reservations-resistance-and-the-indian-reorganization-act-1900-1940>.

the intended purpose of the 1887 Dawes Act, named after Republican Senator Henry L. Dawes of Massachusetts. Also known as the General Allotment Act, the bill inaugurated a system of allotment that allowed the President of the United States to break up land on American Indian reservations and allocate it to individuals rather than tribes. The Dawes Act read that the President could allocate:

To each head of a family, one-quarter of a section; To each single person over eighteen years of age, one-eighth of a section; To each orphan child under eighteen years of age, one-eighth of a section; and To each other single person under eighteen years now living, or who may be born prior to the date of the order of the President directing an allotment of the lands embraced in any reservation, one-sixteenth of a section.<sup>3</sup>

After the allocated land had been held in trust by the government for twenty-five years, American Indians would be eligible for U.S. citizenship and permanent ownership of their land.

The Dawes Act had a profound and ultimately destructive impact on the American Indian communities. Testifying before the U.S. Senate in 2005, Cherokee Nation Chief Chadwick Smith described how, “the most tragic days fell upon the Cherokee Nation with the Dawes Act of 1887, which stripped lands and all government buildings and property from the Nation and paved the way for Oklahoma statehood. Even the Cherokee National press was taken and sold under the Dawes Act.”<sup>4</sup> In 2005 Executive Director of the National Council of Urban Indian Health Beverly Russell, a member of the Carlos Apache Tribe, presented a report to the U.S. Senate that described how the primary goals of the Dawes Act were to, “break down the authority of tribal governments,” by “allocating communal tribal land to individual Indians” while also providing for “unallotted land (two-thirds of the Indian land base) to be transferred to non-Indians.”<sup>5</sup> This fulfilled the U.S. government’s long term objectives of assimilating American Indians into white culture while increasing direct federal control over indigenous tribes and opening up their land to European-Americans.

The large-scale breaking-up and allotment of American Indian lands shifted indigenous people from living in a system of communal land use to a capitalist economic structure that

---

<sup>3</sup> “Transcript of Dawes Act (1887),” *Our Documents*, <https://www.ourdocuments.gov/doc.php?flash=false&doc=50&page=transcript>.

<sup>4</sup> Qtd. in U.S. Congress, Senate, Committee on Indian Affairs, *Indian Health: Hearing Before the Committee on Indian Affairs*, 109th Cong., 1st Session, 2005, 150, [https://www.google.com/books/edition/Indian\\_Health/SCUBM5FiwSoC?hl=en&gbpv=0](https://www.google.com/books/edition/Indian_Health/SCUBM5FiwSoC?hl=en&gbpv=0).

<sup>5</sup> Qtd. in U.S. Congress, Senate, Committee on Indian Affairs, *Indian Health*, 124.

revolved around private ownership. Under this new social order, American Indians were at a stark disadvantage compared to white Americans. The majority of the land was sold off to whites rather than to American Indians, who were often paid less than what the land was actually worth. Further, the lands American Indians received tended to be smaller and more arid territories that were poorly suited for agriculture while whites were sold the most economically profitable areas with richer soil and more space for farming. The Dawes Act had intended to transform American Indians into individual farmers, yet the inequities of the allotment system made this transition extremely difficult. Writing for *Sunset Magazine* in November 1922, James Willard Schultz described his time living amongst the Montana Blackfeet tribe from 1887 to 1904. Schultz reported that during the first seventeen years of life under the Dawes Act he had witnessed the Blackfeet, “starve to death by hundreds,” and, “decline in prosperity until today most of them are pauper citizens of the state of Montana.”<sup>6</sup>

While American Indians struggled to survive on newly allotted lands, their tribal governments found themselves fundamentally weakened by their loss of territory. In total, allotment led to the gradual reduction in the amount of land held by American Indians from 138,000,000 acres in 1887 to 48,000,000 acres in 1934 — a loss of 90,000,000 acres in almost half a century.<sup>7</sup> This loss of land destabilized the political structure of American Indian communities, as tribal governments commanded far less authority on reservations than they had prior to the introduction of allotment. This change precipitated the outright abolition of certain tribal governments by the 1898 Curtis Act, an amendment to the Dawes Act which expanded its provisions to the Cherokee, Choctaw, Seminole, Chickasaw, and Muscogee Tribes. The Curtis Act terminated tribal governments in Indian Territory, what is today Oklahoma, establishing direct federal control over the region’s indigenous tribes.<sup>8</sup>

Although they were granted U.S. citizenship in 1924, American Indians had a living standard that remained drastically worse than that of America’s white population as a result of the Dawes Act. In 1928 the Institute of Government Research — known today as the Brookings

---

<sup>6</sup> James Willard, “America’s Red Armenians,” *Sunset Magazine*, Volume 49, November 1922, <https://www.google.com/books/edition/Sunset/ycxBAQAAMAAJ?hl=en&gbpv=1&dq=james+willard+sunset+magazine+1922&pg=RA4-PA19&printsec=frontcover>.

<sup>7</sup> “History and Culture: Allotment Act — 1887,” American Indian Relief Council, [http://www.nativepartnership.org/site/PageServer?pagename=airc\\_hist\\_allotmentact](http://www.nativepartnership.org/site/PageServer?pagename=airc_hist_allotmentact).

<sup>8</sup> M. Kaye Tatro, “Curtis Act 1898,” *Encyclopedia of Oklahoma History & Culture*, <https://web.archive.org/web/20100720014537/http://digital.library.okstate.edu/encyclopedia/entries/C/CU006.html>.

Institution — released a survey entitled “The Problem of Indian Administration.” More commonly referred to as the “Meriam Report,” named after researcher Lewis Meriam, the study painted a disturbing portrait of American Indian life and excoriated federal Indian policy since 1887. In particular, the allotment system was shown to have a devastating effect on American Indian communities which suffered from higher rates of disease, unemployment, poverty, and mortality than that of white communities.<sup>9</sup>

The Meriam Report presented damning evidence that federal policy under the Dawes Act had left American Indians economically destitute. The first chapter of the Meriam Report states that the economy of American Indian civilization, “has been largely destroyed,” by the encroachment of white Americans.<sup>10</sup> The report showed that, “An overwhelming majority of the Indians are poor, even extremely poor, and they are not adjusted to the economic and social system of the dominant white civilization.”<sup>11</sup> Further, American Indians, “are living on lands from which a trained and experienced white man scarcely could wrest a reasonable living.”<sup>12</sup> The findings of the report indicated that, “The Indians can no longer make a living as they did in the past by hunting, fishing, gathering wild products, and the extremely limited practice of primitive agriculture. The social system that evolved from their past economic life is ill-suited to the conditions that confront them, notably in the matter of the division of labor between the men and the women.”<sup>13</sup>

The Meriam Report blamed American Indians’ economic woes on the allotment system, faulting it for the staggering loss of tribal land since 1887. Criticizing allotment, the Meriam Report noted that, “In some instances the land set apart for the Indians was of little value for agricultural operations other than grazing,” while in other instances, “part of the land was excellent but the Indians did not appreciate its value. Often when individual allotments were made, they chose for themselves the poorer parts,” because these parts of the land were close to supplies vital to a particular tribe.<sup>14</sup> The study had found that on, “almost every reservation may be seen families living in poverty,” as “much of the Indian's property consists of land that is often arid, semiarid,

---

<sup>9</sup> The Institute for Government Research, “Meriam Report: The Problem of Indian Administration (1928),” The Johns Hopkins Press, 1928, 3 <https://narf.org/nill/resources/meriam.html>.

<sup>10</sup> The Institute for Government Research, “Meriam Report,” 6.

<sup>11</sup> The Institute for Government Research, “Meriam Report,” 3.

<sup>12</sup> The Institute for Government Research, “Meriam Report,” 5.

<sup>13</sup> The Institute for Government Research, “Meriam Report,” 6.

<sup>14</sup> The Institute for Government Research, “Meriam Report,” 5.

or mountainous, valuable chiefly for grazing, unsalable except in very large tracts, and often capable of little development for other agricultural purposes.”<sup>15</sup>

The Meriam Report demonstrated that federal policy under the Dawes Act had dire consequences for the overall health of indigenous tribes. While the national average income in 1920 was \$1,350 a year, it was a meager \$100 for American Indians. Because of this, indigenous tribes could scarcely afford a proper intake of nutrition. American Indians’ diet, especially for children, had become “deficient in quantity, quality, and variety.”<sup>16</sup> Due to a weak diet and filthy living conditions that were usually overcrowded and poorly ventilated, tuberculosis and trachoma had become rampant on reservations. Tuberculosis alone was responsible for 26.2% of American Indian deaths.<sup>17</sup> The Meriam Report noted that, “The two great preventive elements milk, and fruits and green vegetables, are notably absent. Most tribes use fruits and vegetables in season, but even then the supply is ordinarily insufficient. The use of milk is rare, and it is generally not available even for infants.”<sup>18</sup> As a result, American Indian children suffered from horrifying mortality rates. In 1925, American Indians under three years of age accounted for 16.2% of all deaths in the U.S.<sup>19</sup>

While the Meriam Report shocked many Americans, it had little effect on that year’s upcoming presidential election as most voters were satisfied with the direction that the United States was taking in 1928. Unemployment stood at 4.4%, while the United States’ gross domestic product had grown from \$687.7 billion in 1920 to \$921.3 billion eight years later.<sup>20</sup> Although the U.S. entered a recession in October 1926, by November 1927 the economy had recovered and throughout 1928 stock prices boomed 39%.<sup>21</sup> Few prominent Democrats wanted to challenge the GOP in what looked like an easy Republican year. Incumbent President Calvin Coolidge, known as much for his austere personality as his steadfast dedication to laissez-faire economics, declined to run for a second full term. In his place, the Republicans nominated Secretary of Commerce Herbert Hoover. His running mate, Senator Charles Curtis, was the member of the Kaw Nation

---

<sup>15</sup> The Institute for Government Research, “Meriam Report,” 430.

<sup>16</sup> The Institute for Government Research, “Meriam Report,” 11.

<sup>17</sup> The Institute for Government Research, “Meriam Report,” 199.

<sup>18</sup> The Institute for Government Research, “Meriam Report,” 3.

<sup>19</sup> The Institute for Government Research, “Meriam Report,” 199.

<sup>20</sup> Kimberly Amadeo, “1920s Economy With Timeline and Statistics,” *The Balance*, last modified March 31, 2021, <https://www.thebalance.com/roaring-twenties-4060511>.

<sup>21</sup> *Id.*

who had written the 1898 Curtis Act which strengthened federal control over American Indian reservations. Aided by anti-Catholic prejudice against Democratic nominee Al Smith, Hoover rode a wave of economic prosperity to secure a crushing victory over his opponent.

As President, Hoover displayed a keen attentiveness to American Indian issues. Hoover agreed with the findings of the Meriam Report and opposed the policy of allotment for having deprived American Indians of nearly ninety million acres of land by 1929. Hoover had lived with the Osage Nation on a reservation in Oklahoma at the age of six while his uncle worked as an Indian agent, making him the only U.S. President to have lived on an American Indian reservation. Hoover's childhood experiences with the Osage informed his mission to improve living conditions for American Indians. In his memoirs Hoover explained that his administration endeavored to, "make the Indians self-supporting and self-respecting. They were to be viewed no longer as wards of the nation, but as potential citizens. I secured from Congress additional appropriations of about \$3,000,000 per annum to finance a vigorous program directed to this end."<sup>22</sup> Indeed, Hoover doubled federal funding of American Indian education and healthcare during his four years as President.

Yet Hoover's efforts to improve the welfare of American Indians were overwhelmed by a sudden and dark turn of events that would come to define his Presidency. On September 4, 1929 American stock prices began a steep decline before investors entered a mad dash to sell off their shares on October 24, also known as Black Thursday, when nearly thirteen million shares were traded in one day. The following Monday, the Dow Jones Industrial Average fell 13.47%—the largest ever drop up to that point—before declining another 11.7% on Tuesday, October 29.<sup>23</sup> The economic fallout of the 1929 stock market crash was more severe than anything the United States has experienced before or since. By 1930, banks began closing nationwide, reaching a peak of nine thousand bank closures in 1933. From 1929 to 1933 industrial production fell 47%, gross domestic product dropped 30%, while "the wholesale price index declined 33 percent."<sup>24</sup> Unemployment had been 4.4% the year of Hoover's election, yet by the time he left office a quarter of the nation's

---

<sup>22</sup> Herbert Hoover, "The Memoirs of Herbert Hoover: The Cabinet and the Presidency," The MacMillan Company, 1952, 318, [https://hoover.archives.gov/sites/default/files/research/ebooks/b1v2\\_full.pdf](https://hoover.archives.gov/sites/default/files/research/ebooks/b1v2_full.pdf).

<sup>23</sup> Kimberly Amadeo, "Stock Market Crash of 1929 Facts, Causes, and Impact," *The Balance*, last modified September 2, 2020, <https://www.thebalance.com/stock-market-crash-of-1929-causes-effects-and-facts-3305891>.

<sup>24</sup> Christina D. Romer et al, "Great Depression," *Encyclopedia Britannica*, last modified November 20 2020, <https://www.britannica.com/event/Great-Depression>.



workforce was unemployed—the highest rate of unemployment ever recorded in the U.S.<sup>25</sup>

American Indians, already struggling to survive in desperate conditions, were especially hurt by the Depression. Iroquois Chief Clinton Rickard reported that, “During the distressing time of the depression, we had the utmost difficulty in securing enough money to buy seeds, horses, mules, or other necessities required for agriculture. We were unable to farm, we were unable to be self-reliant,” showing that the Dawes Act had utterly failed to transform American Indians into self-sufficient farmers. Further, American Indians were actively discriminated against when they sought jobs off the reservation. According to Rickard, “The white people were taken care of first, and those of our men who were fortunate enough to find work were usually soon discharged to give the job to a white man,” and, “White men less destitute than we [Iroquois] were readily given work.”<sup>26</sup>

For all his organizational genius, Hoover was both politically tone deaf and stubbornly committed to a notion of rugged individualism that hardened his heart against efforts to directly intervene in the economy. Although Hoover ordered the construction of the Hoover Dam and created the Reconstruction Finance Corporation in 1932, he vetoed one relief bill after another while signing the Smoot-Hawley Tariff into law, initiating a trade war that exacerbated the effects of the Depression. When WWI veterans marched on Washington, DC, demanding their bonuses to be paid, Hoover militarily forced the veterans from the capital. The optics of an American President using the armed forces to attack veterans of his own nation were so damaging to Hoover that his opponent, New York Governor Franklin D. Roosevelt, remarked to Felix Frankfurter that, “this will elect me,” upon hearing the news.<sup>27</sup> He was right. On election day 1932, Hoover was cast out of the White House in the same way that he had entered it — a landslide of epic proportions.

When Franklin Roosevelt accepted the 1932 Democratic nomination for President, he declared that, “I pledge myself, to a New Deal for the American people” and promised to relieve America’s economic woes through aggressive government intervention in the economy.<sup>28</sup> The

---

<sup>25</sup> Stanley Lebergott, “Annual Estimates of Unemployment in the United States, 1900-1954,” The National Bureau of Economic Research, 1957, <https://www.nber.org/system/files/chapters/c2644/c2644.pdf>.

<sup>26</sup> Qtd. in Lawrence M Hauptman, *The Iroquois and the New Deal*, (Syracuse: Syracuse University Press, 1988), 60.

<sup>27</sup> Qtd. in, Stephen Ortiz, *Beyond the Bonus March and GI Bill: How Veteran Politics Shaped the New Deal Era*, (New York: NYU Press, 2012), 59.

<sup>28</sup> Franklin D. Roosevelt, “Address Accepting the Presidential Nomination at the Democratic National Convention in Chicago,” *The American Presidency Project*, July 2, 1932, <https://www.presidency.ucsb.edu/documents/address-accepting-the-presidential-nomination-the-democratic-national-convention-chicago-1>.

New Deal constituted an unprecedented effort by the federal government to not only chart the nation's economic course, but provide direct aid to the average American. Within two days of taking the oath of office, Roosevelt declared a national bank holiday on March 6 and on March 9 he pushed the Emergency Banking Act through Congress — saving the banking industry from complete collapse. This was followed by a sweeping program of deficit spending designed to reverse the rising trend of unemployment. The Civilian Conservation Corps, the Civil Works Administration, the Works Progress Administration, the Public Works Administration, and the Federal Emergency Relief Administration all provided jobs to millions of unemployed Americans during Roosevelt's first two terms. The FERA alone had employed twenty million people by December 1935.<sup>29</sup>

But a critical and often overlooked aspect of the New Deal was FDR's attempt to undo the damage done by the Dawes Act. Like Hoover, FDR agreed with the findings of the Meriam Report and sought to rectify the unjust nature of government policy since 1887. Roosevelt viewed the government's administration of American Indian reservations as a form of "autocratic rule" that was "incompatible with American ideals of liberty" and "destructive of the character and self-respect of a great race."<sup>30</sup> In April 1934, Roosevelt put his political weight behind the Indian Reorganization Act, also known as the Wheeler-Howard Act, which became the cornerstone of the Indian New Deal. The bill was designed to abolish the allotment system, extend trusts on Indian land, give the Interior Secretary the power to restore land to tribal ownership, and return natural resources to indigenous control. Additionally, the Indian Reorganization Act was meant to reverse the weakening of tribal authority that resulted from the Dawes Act by allowing tribes to form their own autonomous governments with written constitutions and elected tribal councils.<sup>31</sup>

The main driving force behind the Indian New Deal was John Collier, a Columbia-educated sociologist from Georgia. Collier's views on American Indians were shaped by his early interactions with indigenous Americans more than a decade before Roosevelt's election to the presidency. In 1920 Collier ventured to the Taos, New Mexico art colony sponsored by Mable

---

<sup>29</sup> John P Deeben, "Family Experiences and New Deal Relief: The Correspondence Files of the Federal Emergency Relief Administration, 1933–1936," *National Archives*, Fall 2012, Vol. 44, No. 2, <https://www.archives.gov/publications/prologue/2012/fall/fera.html>.

<sup>30</sup> Franklin D. Roosevelt, "Statement on the Wheeler-Howard Bill," *The American Presidency Project*, April 28, 1934. <https://www.presidency.ucsb.edu/documents/statement-the-wheeler-howard-bill>.

<sup>31</sup> "Indian Reorganization Act (1934)," *The Living New Deal*, <https://livingnewdeal.org/glossary/indian-reorganization-act-1934/>.

Dodge Luhan. During his stay there, Collier encountered the Pueblo Indian Tribe and closely studied their culture. Luhan's husband Antonio would later tell a group of Pueblo leaders that, "We have got a real friend in John Collier. He really likes Indians" following Collier's experiences with American Indians in Taos.<sup>32</sup> As he observed Pueblo religion, domestic life, politics, dances, and art, Collier became infatuated with what he called a "Red Atlantis" — an idyllic way of life that he saw as uncorrupted by the materialistic individualism of America's dominant white culture.<sup>33</sup>

Collier also put forth harsh criticisms of federal Indian policy under the Dawes Act. In an October 1922 article describing his stay in Taos, Collier despaired attempts to assimilate indigenous tribes, noting that a Pueblo Indian, "is compelled as a child to attend a school," which, "conscientiously ignores the Indian and even the surrounding Mexican past and present." Then, says Collier, the Pueblo, "is taken away to a boarding-school which is co-educational and where many tribes are mixed indiscriminately together," with the intended goal of shaming the American Indian out of their indigenous identity.<sup>34</sup> Additionally, Collier argued that reservations were subject to the tyrannical rule of Indian agents who trampled over the very people they were appointed to help. To remedy this, Collier proposed that American Indians be granted citizenship, that their reservations should be preserved by the federal government, that they be allowed greater autonomy under their tribal governments, and that indigenous peoples, "must be given advantages equal, and in the main the same as, those claimed by white farming communities all over this country."<sup>35</sup>

With his criticisms vindicated by the Meriam Report, Collier was appointed to be Roosevelt's Commissioner of Indian Affairs in 1933. Collier led the charge to repeal the Dawes Act and introduce a radical new policy towards indigenous Americans. Joining forces with Montana Senator Burton K. Wheeler and Nebraska Representative Edgar Howard, Collier made a powerful moral case for ending the allotment system and beginning a New Deal for American Indians. Writing for *The New York Times Magazine* in 1934, Collier asked, "Who can look at the

---

<sup>32</sup> Qtd. in, "We Have Got a Good Friend in John Collier: A Taos Pueblo Tries to Sell the Indian New Deal," *History Matters*, <http://historymatters.gmu.edu/d/26/>.

<sup>33</sup> "We Took Away Their Best Lands, Broke Treaties': John Collier Promises to Reform Indian Policy," *History Matters*, <http://historymatters.gmu.edu/d/5058>.

<sup>34</sup> John Collier, "The Red Atlantis," *The Survey*, Volume 49, no. 1, October 1922: 19, [https://www.google.com/books/edition/The\\_Survey/--5EAQAAIAAJ?hl=en&gbpv=1&dq=john+collier+red+atlantis&pg=PA3&printsec=frontcover](https://www.google.com/books/edition/The_Survey/--5EAQAAIAAJ?hl=en&gbpv=1&dq=john+collier+red+atlantis&pg=PA3&printsec=frontcover)

<sup>35</sup> John Collier, "The Red Atlantis," 20.

condition of the Indians today — poverty stricken, dying at twice the white man’s rate of mortality, limited in education and opportunity, hopeless, distrustful — and not say that a reversal [of Government policy] is indicated?”<sup>36</sup>

On June 18, 1934 the Indian Reorganization Act was signed into law by President Roosevelt, setting the Indian New Deal into motion. The Act ended the allotment system, extended \$4.4 million in loans for the development of reservations, created a \$10 million credit fund dedicated to the economic development of indigenous tribes, and forced the Bureau of Indian Affairs to give priority to American Indian candidates during the hiring process. Further, the bill appropriated \$250,000 a year for the federal government to charter corporations on American Indian reservations. Run not by white officials but by indigenous tribal councils, these corporations, “could employ legal counsel, prevent the leasing or sale of land without tribal consent, and negotiate with federal or state governments for public services.”<sup>37</sup> Federal spending towards the welfare of indigenous tribes rose from \$23 million when FDR took office to \$38 million in 1940.<sup>38</sup> Using the authority granted to him by the Indian Reorganization Act, Roosevelt used executive orders to extend public trusts on American Indian lands — preventing them from being sold to individuals as private property.

In its most important objective of stopping the reduction of American Indian lands, the Indian New Deal was a triumph. Rather than being sold to white homesteaders, surplus lands were now given to American Indians. The federal government even went a step further to purchase privately owned lands and return them to indigenous tribes. By 1953, two million acres of land had been restored to American Indians through the Indian Reorganization Act.<sup>39</sup> Additionally, the bill encouraged American Indians to seek greater autonomy from federal rule. Section 16 of the Indian Reorganization Act read that, “Any Indian tribe, or tribes, residing on the same reservation, shall have the right to organize for its common welfare, and may adopt an appropriate constitution and bylaws, which shall become effective when ratified by a majority vote of the adult members

---

<sup>36</sup> Qtd. in U.S. Congress, Senate, *Congressional Record: Proceedings and Debates of the 90th Congress Second Session*. 90th Cong., 2nd sess., 1968. Vol. 114, Part 10, pt. 13381., [https://books.google.com/books?id=JOyLiER0MFoC&printsec=frontcover&source=gbs\\_ge\\_summary\\_r&cad=0#v=onepage&q&f=false](https://books.google.com/books?id=JOyLiER0MFoC&printsec=frontcover&source=gbs_ge_summary_r&cad=0#v=onepage&q&f=false).

<sup>37</sup> Floyd A O’Neil, *The Indian New Deal: An Overview*, (University Press of Colorado; Utah State University Press, 1986), 40, <https://www.jstor.org/stable/pdf/j.ctt46nr85.8.pdf>.

<sup>38</sup> Robert Longley, “Indian Reorganization Act: A ‘New Deal’ for American Indians,” *ThoughtCo.*, last modified July 3 2019, <https://www.thoughtco.com/indian-reorganization-act-4690560>.

<sup>39</sup> Id.

of the tribe, or of the adult Indians residing on such reservation” in a special election organized by the Interior Secretary.<sup>40</sup> By 1940, 135 new tribal constitutions had been ratified by American Indian tribes as a result of the Indian Reorganization Act — reversing the effects of the Curtis Act which had abolished tribal governments in Indian Territory.<sup>41</sup>

The successes of the Indian New Deal were not limited to the Indian Reorganization Act, as indigenous Americans benefited from the federal unemployment programs that Roosevelt created to relieve the effects of the Great Depression. One of the most important initiatives of the Indian New Deal was the Indian Division of the Civilian Conservation Corps (CCC). The CCC was established in 1933 to create jobs for the unemployed, and throughout Roosevelt’s presidency it would provide critical economic assistance to indigenous tribes. Not only did the CCC’s Indian Division employ 85,000 American Indians from 1933 to 1942, but the Indian Division improved fifty million acres of reservation land during this nine-year period.<sup>42</sup> In July 1936, Cleveland F. Allen of the Pine Ridge Reservation in South Dakota reported that working for the CCC, “has provided an income for us and has enabled us to keep alive while, at the same time, it has given us a better perspective on our goals in life.”<sup>43</sup> On the Rosebud Reservation, the CCC’s Indian Division and the Works Progress Administration were the largest and second largest employers of American Indians respectively. With federal jobs providing a steady source of income to American Indians nationwide, by 1938 Collier could confidently claim that American Indians, “are increasing at almost twice the rate of the population as a whole.”<sup>44</sup>

As Commissioner, Collier terminated the policy of assimilation and shifted towards the preservation of American Indian culture. Collier transferred American Indian students from the boarding schools where they had previously been stripped of their tribal identities to community day schools where conversion to Christianity was not required. American Indian children were taught about their own history and culture — encouraging them to carry on the traditions of their

---

<sup>40</sup>“Indian Reorganization Act, 1934.” Iowa Department of Cultural Affairs, <https://iowaculture.gov/history/education/educator-resources/primary-source-sets/new-deal/indian-reorganization-act-1934>.

<sup>41</sup> “Indian Reorganization Act (1934),” *The Living New Deal*, <https://livingnewdeal.org/glossary/indian-reorganization-act-1934/>.

<sup>42</sup> “American Indians and the New Deal,” *The Living New Deal*, <https://livingnewdeal.org/what-was-the-new-deal/new-deal-inclusion/american-indians-and-the-new-deal/>.

<sup>43</sup> Qtd. in, “Indians At Work: A News Sheet for Indians and the Indian Service,” Office of Indian Affairs, Vol. 3, no. 22, July 1 1936, 19., <https://library.si.edu/digital-library/book/indiansatwork32219361unit>.

<sup>44</sup> Qtd. in, “We Took Away Their Best Lands, Broke Treaties’: John Collier Promises to Reform *Indian* Policy.” *History Matters*, <http://historymatters.gmu.edu/d/5058>.

respective tribes. Under the terms of the Indian Arts and Crafts Act of 1935, Collier oversaw an Indian Arts and Crafts Board that educated American Indians in commercial trades in order to produce, “pottery, rugs, blankets, and other goods and handicrafts” unique to indigenous culture.<sup>45</sup> The IACB promoted the manufacture and sale of American Indian products such as jewelry and textiles while prosecuting whites who sold counterfeit items. By 1938, “the annual income from American Indian arts & crafts was \$863,267, and a year later it was estimated to be about \$1,000,000,” providing American Indians with an additional source of revenue.<sup>46</sup>

Yet the Indian New Deal, for all it achieved, also produced damaging effects on many American Indian tribes. Collier’s usage of the term “Red Atlantis” to refer to American Indian civilization, alluding to the mythical island that Plato described as an idealized state in his *Critias*, portrays a simplistic vision of indigenous people that would cause Collier to stumble on certain tribal issues. Perhaps no case demonstrates this more poignantly than the example of the Navajo. Collier was determined to solve the problem of overgrazing on the Navajo Reservation, which threatened the survival of the Navajo if their livestock’s excessive consumption of grassland caused sheep and goat herds to run out of food. The Navajo requested that Collier increase the size of the reservation in order to spread their livestock across a larger area. Instead, Collier introduced a livestock reduction program to the Navajo tribal council in October 1933. Collier proposed the voluntary reduction of Navajo sheep and goat herds by 400,000 each in exchange for financial compensation if the Navajo lost income from the death of their livestock. The Navajo refused, and in 1934 they rejected the Indian Reorganization Act when it came to a tribal vote.<sup>47</sup>

Collier would not back down. Rather than compromising with the Navajo, Collier made the livestock reduction program mandatory. When the Navajo would not cooperate in the mass killing of their livestock, Collier dispatched federal agents to slaughter hundreds of thousands of sheep and goats on the Navajo Reservation. In total, more than half of Navajo livestock were wiped out under Collier’s orders. Marsha Weisiger notes that, “in their haste to respond to an environmental crisis, Collier and his conservationists unwittingly made matters worse ecologically

---

<sup>45</sup> “American Indians and the New Deal,” *The Living New Deal*, <https://livingnewdeal.org/what-was-the-new-deal/new-deal-inclusion/american-indians-and-the-new-deal/>.

<sup>46</sup> “Indian Arts and Crafts Board (1935),” *The Living New Deal*, [https://livingnewdeal.org/glossary/indian-arts-and-crafts-board-1935/#:~:text=The%20law%20had%20the%20%E2%80%9Cthree.and%20Crafts%20Board%20\(IACB\).](https://livingnewdeal.org/glossary/indian-arts-and-crafts-board-1935/#:~:text=The%20law%20had%20the%20%E2%80%9Cthree.and%20Crafts%20Board%20(IACB).)

<sup>47</sup> Catherine Denial, “Reservations, Resistance, and the Indian Reorganization Act, 1900-1940,” *Digital Public Library of America*, <https://dp.la/primary-source-sets/reservations-resistance-and-the-indian-reorganization-act-1900-1940>.



and culturally. They ignored the importance of long-established cultural patterns, disparaged local knowledge and cultural understandings of nature, and refused to listen to Navajos' advice in implementing the livestock reduction program.”<sup>48</sup> Collier’s livestock reduction program was particularly damaging to Navajo women, who were excluded from the Navajo tribal council. During the Great Depression, Navajo women were heavily dependent upon their livestock to make a living. Having been robbed of their livelihoods, many of them were plunged into abject poverty. After years of protests by the Navajo, the livestock reduction program was finally ended in 1943.

Collier’s zealotry in destroying Navajo livestock was informed by his view of American Indian civilization as “Red Atlantis” that could provide a model to white society. The fictional Atlantis of Greek mythology was a utopian state that was consumed by the ocean after angering the gods through its hubris,. Likewise, Collier saw the Navajo as, “paragons of self-sufficiency and cultural integrity,” who were so dependent upon the land that if the federal government did not save them from overgrazing then their people would starve and perish.<sup>49</sup> Collier’s view of American Indians was mostly based on his experiences with one group, the Pueblo, and he failed to understand the many differences between individual tribes. Collier did not recognize that the Navajo were just as dependent upon the land as they were upon their livestock, which were revered in Navajo culture in addition to serving as a valuable source of income. The Livestock Reduction Program was not only economically harmful, but also an attack on tribal culture in the eyes of the Navajo.

Collier’s actions angered the Navajo so deeply that they opposed both his leadership as Commissioner and the Indian New Deal as a whole. This animosity was compounded by the fact that Navajo who resisted the program were arrested and jailed by federal agents. With more than half of Navajo livestock gone and the government cracking down on opposition, the Indian Rights Association, “branded John Collier a ‘dictator’ and accused him of conducting a ‘near reign of terror’ on the Navajo reservation.”<sup>50</sup> On November 4, 1944, at a meeting in the McKinley County Courthouse in Gallup, New Mexico the Navajo issued a statement formally requesting that, “Commissioner John Collier be removed as Commissioner of Indian Affairs, for Mr. Collier has

---

<sup>48</sup> Marsha Weisiger, “Gendered Injustice: Navajo Livestock Reduction in the New Deal Era,” *Western Historical Quarterly*, Winter, 2007, Vol. 38, No. 4 (Winter, 2007), 441, <https://www.jstor.org/stable/pdf/25443605.pdf?refreqid=excelsior%3Ab40f192c0f6e762071aecb7ee58c8ba3>.

<sup>49</sup> Qtd. in Marsha Weisiger, “Gendered Injustice,” 441.

<sup>50</sup> Brian W. Dippie, *The Vanishing American: White Attitudes and U.S. Indian Policy*, (Lawrence: University of Kansas Press, 1982), 335.

proved himself a very inefficient administrative head.”<sup>51</sup> Collier would eventually leave his post in March 1945, the month before President Roosevelt died of a cerebral hemorrhage.

The Navajo were not the only indigenous tribe to oppose the Indian New Deal. While the Indian Reorganization Act granted tribes greater sovereignty by encouraging them to form their own governments, several new tribal constitutions came under criticism for not establishing separation of powers. Edward Boyer, a member of the Shoshone-Bannock tribe, charged the Indian New Deal with reducing tribal sovereignty rather than expanding it. He argued that the Indian Reorganization Act provided:

No separate judicial, legislative, and executive branches of tribal government. For this reason, I believe we were intentionally set up to fail. The checks and balances of these three powers are taken for granted in the white man's world. To the reservation Indian, these guarantees of freedom do not exist. As an example, the reservation Indian has no grievance recourse but to a tribal court. All other non-Indian citizens can go to the highest court in the land, the Supreme Court.<sup>52</sup>

A review of the many constitutions ratified during Collier’s tenure at the Bureau of Indian Affairs shows that in some circumstances, the Indian New Deal actually limited tribal sovereignty by making indigenous tribes more dependent upon the federal government. The Pine Ridge and Rosebud reservations in South Dakota, for example, ratified constitutions that made them less independent than before the Indian New Deal. The Lakota on both reservations already used written constitutions of their own prior to the passage of the Indian Reorganization Act, but after the bill was signed into law they were forced to draft new constitutions that contained so-called “limiting clauses” which made decisions by their tribal councils subject to approval by the Bureau of Indian Affairs.<sup>53</sup> Secretary of the Interior Harold Ickes rarely vetoed the decisions of tribal councils, only doing so if they violated federal law, yet many American Indians nonetheless resented what they saw as increased intrusion into their affairs. At an April 1939 Congressional hearing, Clement Smith spoke on behalf of the Yankton Lakota when he argued that the Indian New Deal had expanded federal control over American Indians. Smith and many of his fellow

---

<sup>51</sup> U.S. Congress, House of Representatives, Committee on Indian Affairs, *Investigate Indian Affairs: Hearings Before the Committee on Indian Affairs*, 78th Cong., 2nd Session, 1944, 891, [https://www.google.com/books/edition/Investigate\\_Indian\\_Affairs/D0flAAAAMAAJ?hl=en&gbpv=0](https://www.google.com/books/edition/Investigate_Indian_Affairs/D0flAAAAMAAJ?hl=en&gbpv=0).

<sup>52</sup> Qtd. in Floyd A. O'Neil, *The Indian New Deal: An Overview*, 28.

<sup>53</sup> Richmond L. Clow, "The Indian Reorganization Act and The Loss of Tribal Sovereignty: Constitutions on the Rosebud and Pine Ridge Reservations," *Great Plains Quarterly*, Spring 1987, Vol. 7, No. 2, 131, <https://digitalcommons.unl.edu/greatplainsquarterly/317>.



Yankton Lakota opposed the Indian Reorganization Act because, in his words, “it changes the functions of Government that the Indian as a citizen should absolutely enjoy as a citizen of the United States. It takes away rights and sets up a dual government for the Indians” under both tribal and federal authority.<sup>54</sup>

Despite its flaws, the Indian New Deal was supported by most tribes and individual American Indians. When the Indian Reorganization Act was subject to tribal approval, a majority of 181 tribes approved of the bill while 77 voted it down. According to historian Floyd A. O’Neil, “those who voted for the IRA had an aggregate population of 130,000 Indian people,” while, “those who rejected it had an aggregate population of somewhere between 85,000 and 90,000 persons.”<sup>55</sup> Supporters of the Indian New Deal included Shoshone-Paiute leader Arthur Manning, who proclaimed that the Indian Reorganization Act, “has worked out very well for our reservation. We have six council men, a chairman, and a chartered livestock association. The IRA revolving credit fund enabled many of our younger tribal members to obtain loans and get started in the cattle business.”<sup>56</sup> While Manning’s reservation was sorely in need of water at the height of the Great Depression, under the Indian New Deal the federal government built a new storage dam that provided “plenty of water” to his tribe.<sup>57</sup>

The Indian New Deal was a bold but imperfect effort to reverse the effects of the Dawes Act. The Indian New Deal reduced indigenous unemployment, significantly improved reservations, abolished the allotment system, and encouraged greater tribal self-government. Yet the Indian New Deal also made certain reservations more restricted by federal authority, not less, and it destroyed more than fifty percent of Navajo livestock — worsening economic conditions for the very people that Collier had wanted to help. Collier’s high-handed approach to tribal issues saw him run roughshod over American Indian property rights and incarcerate those who opposed his policies, earning the ire of the Navajo who ultimately called for his ouster. While John Collier learned the hard way that his utopian “Red Atlantis” did not line up with reality, the Indian New Deal was ultimately a noble attempt to atone for half a century of sins by the federal government.

---

<sup>54</sup> Qtd. in U.S. Congress, House of Representatives, Committee on Indian Affairs, *Yankton Tribe - Amend Wheeler-Howard Act: Hearings Before the Subcommittee on Indian Affairs*, 76th Congress, 1st Session, 1939, 9, <https://babel.hathitrust.org/cgi/pt?id=umn.31951d01063175x&view=1up&seq=5&q1=dual%20government%20for%20the%20indians>.

<sup>55</sup> Floyd A. O’Neil, *The Indian New Deal: An Overview*, 41

<sup>56</sup> Qtd. in Floyd A. O’Neil, *The Indian New Deal: An Overview*, 29.

<sup>57</sup> Floyd A. O’Neil, *The Indian New Deal: An Overview*, 29.

## Bibliography

- Amadeo, Kimberly. "1920s Economy With Timeline and Statistics." *The Balance*, last modified March 31, 2021, <https://www.thebalance.com/roaring-twenties-4060511>.
- Amadeo, Kimberly. "Stock Market Crash of 1929 Facts, Causes, and Impact." *The Balance*, last modified September 2, 2020, <https://www.thebalance.com/stock-market-crash-of-1929-causes-effects-and-facts-3305891>.
- "American Indians and the New Deal." *The Living New Deal*, <https://livingnewdeal.org/what-was-the-new-deal/new-deal-inclusion/american-indians-and-the-new-deal/>.
- Collier, John. "The Red Atlantis." *The Survey*, Volume 49, no. 1, October 1922, [https://www.google.com/books/edition/The\\_Survey/--5EAQAAIAAJ?hl=en&gbpv=1&dq=john+collier+red+atlantis&pg=PA3&printsec=frontcover](https://www.google.com/books/edition/The_Survey/--5EAQAAIAAJ?hl=en&gbpv=1&dq=john+collier+red+atlantis&pg=PA3&printsec=frontcover).
- Clow, Richmond L., "The Indian Reorganization Act and The Loss of Tribal Sovereignty: Constitutions on the Rosebud and Pine Ridge Reservations." *Great Plains Quarterly*, Spring 1987, Vol. 7, No. 2, <https://digitalcommons.unl.edu/greatplainsquarterly/317>.
- Deeben, John P. "Family Experiences and New Deal Relief: The Correspondence Files of the Federal Emergency Relief Administration, 1933–1936." National Archives, Fall 2012, Vol. 44, No. 2, <https://www.archives.gov/publications/prologue/2012/fall/fera.html>.
- Denial, Catherine. "Reservations, Resistance, and the Indian Reorganization Act, 1900-1940," *Digital Public Library of America*, <https://dp.la/primary-source-sets/reservations-resistance-and-the-indian-reorganization-act-1900-1940>.
- Dippie, Brian W. *The Vanishing American: White Attitudes and U.S. Indian Policy*. (Lawrence: University of Kansas Press, 1982).
- Hauptman, Lawrence M. *The Iroquois and the New Deal*. (Syracuse: Syracuse University Press, 1988).
- Hoover, Herbert. "The Memoirs of Herbert Hoover: The Cabinet and the Presidency." The MacMillan Company, 1952, [https://hoover.archives.gov/sites/default/files/research/ebooks/b1v2\\_full.pdf](https://hoover.archives.gov/sites/default/files/research/ebooks/b1v2_full.pdf).

- “History and Culture: Allotment Act — 1887.” American Indian Relief Council,  
[http://www.nativepartnership.org/site/PageServer?pagename=airc\\_hist\\_allotmentact](http://www.nativepartnership.org/site/PageServer?pagename=airc_hist_allotmentact).
- “Indians At Work: A News Sheet for Indians and the Indian Service.” Office of Indian Affairs,  
Vol. 3, no. 22, July 1 1936,  
<https://library.si.edu/digital-library/book/indiansatwork32219361unit>.
- “Indian Arts and Crafts Board (1935).” *The Living New Deal*,  
[https://livingnewdeal.org/glossary/indian-arts-and-crafts-board-1935/#:~:text=The%20law%20had%20the%20%E2%80%9Cthree,and%20Crafts%20Board%20\(IACB\)](https://livingnewdeal.org/glossary/indian-arts-and-crafts-board-1935/#:~:text=The%20law%20had%20the%20%E2%80%9Cthree,and%20Crafts%20Board%20(IACB).).
- “Indian Reorganization Act, 1934.” Iowa Department of Cultural Affairs,  
<https://iowaculture.gov/history/education/educator-resources/primary-source-sets/new-deal/indian-reorganization-act-1934>.
- “Indian Reorganization Act (1934),” *The Living New Deal*,  
<https://livingnewdeal.org/glossary/indian-reorganization-act-1934/>.
- Lebergott, Stanley. “Annual Estimates of Unemployment in the United States, 1900-1954.” The National Bureau of Economic Research, 1957,  
<https://www.nber.org/system/files/chapters/c2644/c2644.pdf>.
- Longley, Robert. “Indian Reorganization Act: A ‘New Deal’ for American Indians.” *ThoughtCo.*, last modified July 3 2019, <https://www.thoughtco.com/indian-reorganization-act-4690560>.
- O’Neil, Floyd A. *The Indian New Deal: An Overview*. (University Press of Colorado; Utah State University Press, 1986), <https://www.jstor.org/stable/pdf/j.ctt46nr85.8.pdf>.
- Ortiz, Stephen. *Beyond the Bonus March and GI Bill: How Veteran Politics Shaped the New Deal Era*. (New York: NYU Press, 2012).
- Romer, Christina D, et al. “Great Depression.” *Encyclopedia Britannica*, last modified November 20 2020, <https://www.britannica.com/event/Great-Depression>.
- Roosevelt, Franklin D. “Address Accepting the Presidential Nomination at the Democratic National Convention in Chicago.” The American Presidency Project, July 2, 1932,  
<https://www.presidency.ucsb.edu/documents/address-accepting-the-presidential-nomination-the-democratic-national-convention-chicago-1>.

Roosevelt, Franklin D. "Statement on the Wheeler-Howard Bill." The American Presidency Project, April 28, 1934. <https://www.presidency.ucsb.edu/documents/statement-the-wheeler-howard-bill>.

Tatro, M. Kaye, "Curtis Act 1898," *Encyclopedia of Oklahoma History & Culture*, <https://web.archive.org/web/20100720014537/http://digital.library.okstate.edu/encyclopedia/entries/C/CU006.html>.

The Institute for Government Research. "Meriam Report: The Problem of Indian Administration (1928)." *The Johns Hopkins Press*, 1928, <https://narf.org/nill/resources/meriam.html>.

"Transcript of Dawes Act (1887)," Our Documents, <https://www.ourdocuments.gov/doc.php?flash=false&doc=50&page=transcript>.

U.S. Congress, House of Representatives, Committee on Indian Affairs. *Investigate Indian Affairs: Hearings Before the Committee on Indian Affairs*, 78th Cong., 2nd Session, 1944, [https://www.google.com/books/edition/Investigate\\_Indian\\_Affairs/D0flAAAAMAAJ?hl=en&gbpv=0](https://www.google.com/books/edition/Investigate_Indian_Affairs/D0flAAAAMAAJ?hl=en&gbpv=0).

U.S. Congress, House of Representatives, Committee on Indian Affairs. *Yankton Tribe - Amend Wheeler-Howard Act: Hearings Before the Subcommittee on Indian Affairs*. 76th Congress, 1st Session, 1939, <https://babel.hathitrust.org/cgi/pt?id=umn.31951d01063175x&view=1up&seq=5&q1=du%20government%20for%20the%20indians>.

U.S. Congress, Senate, Committee on Indian Affairs. *Indian Health: Hearing Before the Committee on Indian Affairs*, 109th Cong., 1st Session, 2005, 150, [https://www.google.com/books/edition/Indian\\_Health/SCUBM5FiwSoC?hl=en&gbpv=0](https://www.google.com/books/edition/Indian_Health/SCUBM5FiwSoC?hl=en&gbpv=0).

U.S. Congress, Senate, *Congressional Record: Proceedings and Debates of the 90th Congress Second Session*. 90th Cong., 2nd sess., 1968. Vol. 114, Part 10, pt. 13381., [https://books.google.com/books?id=JOyIiER0MFoC&printsec=frontcover&source=gs\\_ge\\_summary\\_r&cad=0#v=onepage&q&f=false](https://books.google.com/books?id=JOyIiER0MFoC&printsec=frontcover&source=gs_ge_summary_r&cad=0#v=onepage&q&f=false).

'We Have Got a Good Friend in John Collier': A Taos Pueblo Tries to Sell the Indian New Deal.'" *History Matters*, <http://historymatters.gmu.edu/d/26/>.

Weisiger, Marsha. "Gendered Injustice: Navajo Livestock Reduction in the New Deal Era."

*Western Historical Quarterly*, Winter, 2007, Vol. 38, No. 4 (Winter, 2007),  
<https://www.jstor.org/stable/pdf/25443605.pdf?refreqid=excelsior%3Ab40f192c0f6e762071aecb7ee58c8ba3>.

“‘We Took Away Their Best Lands, Broke Treaties’: John Collier Promises to Reform Indian Policy.” *History Matters*, <http://historymatters.gmu.edu/d/5058>.

Willard, James. “America’s Red Armenians.” *Sunset Magazine*, Volume 49, November 1922,  
<https://www.google.com/books/edition/Sunset/ycxBAQAAMAAJ?hl=en&gbpv=1&dq=ames+willard+sunset+magazine+1922&pg=RA4-PA19&printsec=frontcover>.

Oracle: The History Journal of Boston College

---

Volume IV | Issue I

Article 3

---

**Land of Declining Youth: Implications of Japan's Aging Demographic**

Aidan Mallon

*Boston College*, [aidanmpmallon@gmail.com](mailto:aidanmpmallon@gmail.com)

## LAND OF DECLINING YOUTH:

### IMPLICATIONS OF JAPAN'S AGING DEMOGRAPHIC

AIDAN MALLON \*

**Abstract:** Fundamental to the successful economic operation of any nation is its ability to maintain a labor force adequate to compete in the global marketplace.<sup>2</sup> While the real and perceived conflicts that may arise from the influx of migrants often lead states to erect significant barriers to their entrance, such thinking will only prove detrimental to the long-term success of postindustrial societies. In the twenty-first century, Japan faces significant social and economic challenges from the demographic implications of an aging and declining population. This paper argues that unless Japan can increase the number of women in the workforce, solve issues of eldercare demand, and embrace more robust immigration policies, demographic transition may overwhelm the state in the short term and hamper its resilience over the next century.

#### Economic Background

To understand the challenges Japanese society faces today, it is important to begin with a survey of the foundations for Japan's postwar economic rise. After the Asia Pacific War (1931–1945), an American-occupied Japan saw its imperial prowess evaporate, and its nation war-torn and devastated. When the “reverse course” of 1946 instituted a new emphasis on recovery over democratic reform, Japan saw inflation cut while unemployment soared.<sup>3</sup> It was not until the Korean War (1950–1953), when Japan became integral to supplying U.S.-led forces' industrial hunger, that the economy began to recover.<sup>4</sup> By the mid-1950s, Japan's income had been growing by 10 percent a year, and when Ikeda Hayato became prime minister in 1960, the government pledged to pursue an “income doubling” policy to double national income by 1970.<sup>5</sup> Japan's

---

<sup>1</sup>Aidan Mallon is a recent graduate of Boston College with a B.A. in Political Science, with minors in Asian Studies, Theatre, and Management for Social Impact. His interests include East Asian politics, diplomatic history, and the wonderful world of birdwatching.

<sup>2</sup> George Ritzer and Paul Dean, *Globalization* (Hoboken: Wiley-Blackwell, 2019), 200.

<sup>3</sup> James L. Huffman, *Modern Japan: A History in Documents*, (New York: Oxford, 2011), 159.

<sup>4</sup> Huffman, *Modern Japan: A History in Documents*, 159.

<sup>5</sup> Huffman, *Modern Japan: A History in Documents*, 165.

economy continued to steadily grow until the first oil shock of 1973, when oil prices quadrupled.<sup>6</sup> Since three-fourths of all Japanese energy production was generated with oil—which was almost entirely imported—Japan was hit particularly hard.<sup>7</sup> After 1974, the Japanese economy continued to grow at a slower pace into the 1990s.

The 1980s saw low-end, cheap-labor based production transformed into high-end development, along with the growth of an enormous bubble economy built on land speculation.<sup>8</sup> Because companies had relied on unrealistic land prices to secure loans, when the Bank of Japan sharply raised interest rates in 1989, the inflated price of land began to decline. The economy quickly followed. With companies unable to repay loans, the bubble burst and stocks plummeted.<sup>9</sup> By 1992, the economy was in a major recession. Massive government stimulus in 1995 saw strong growth through 1996, until taxes were raised and the slowdown continued. The 1997 Asian financial crisis saw Japan, a major supplier of investment goods, significantly affected.<sup>10</sup> The U.S. dotcom burst in 2000 stalled demand for Japanese exports, with recovery from the “Lost Decade” not beginning in earnest until 2002.<sup>11</sup>

Unemployment and government debt were serious issues again for the first time since the war. Increased exportation to a rising China saw Japan’s economy grow 2 percent per annum between 2002 and 2008, until the Great Recession saw another downturn. Japan bounced back in 2010, but the 2011 Great Tohoku Earthquake and Tsunami devastated Northeastern Japan and disrupted domestic supply chains.<sup>12</sup> Today, the biggest economic challenges facing Japan are the implications its aging population will have on already low productivity levels, labor shortages, and social service schemes. In the absence of immigration reform, along with manageable eldercare and the activation of women in the workforce, Japan may have further lost decades ahead.

### **Japan’s Demographic Challenges**

---

<sup>6</sup> Marcus Rebick, “The Japanese Economy,” in *The SAGE Handbook of Modern Japanese Studies*, ed. James D. Babb (London: SAGE Publications Ltd, 2015), 8.

<sup>7</sup> Huffman, *Modern Japan: A History in Documents*, 177.

<sup>8</sup> Rebick, “The Japanese Economy,” 9.

<sup>9</sup> Huffman, *Modern Japan: A History in Documents*, 177.

<sup>10</sup> Rebick, “The Japanese Economy,” 10.

<sup>11</sup> Huffman, *Modern Japan: A History in Documents*, 177.

<sup>12</sup> Rebick, “The Japanese Economy,” 11.



Japan's National Institute of Population and Social Security Research (IPSS) predicts the proportion of people aged sixty-five years and older in Japan will increase from the current level of 28 percent to 38 percent by 2050.<sup>13</sup> During this same period, the population is estimated to shrink by nearly 20 percent.<sup>14</sup> These demographic changes were initially accelerated at the turn of the century when postwar baby boomers—born between the late 1940s and early 1950s—first reached age sixty-five. Today, the retirement of Japan's baby boomers is having widespread demographic effects across all prefectures. While the whole of Japan will struggle to grapple with these changes, the IPSS has predicted the bulk of population changes will occur in Japan's metropolitan areas, where working-age individuals currently account for large portions of the overall population.<sup>15</sup> In some rural areas, by contrast, demographic changes may have already peaked, with some agrarian prefectures bracing for a transition to 50 percent senior populations by 2045. This is further complicated by an expected 40 percent decline in overall population in these same prefectures.<sup>16</sup> Already, rural populations in many areas have become too old for effective short-term governmental intervention.

The pressures of negative natural increases in these areas (i.e. deaths exceeding births) also extend to metropolitan areas, as smaller and smaller pools of young people are available for metropolitan areas to poach for work.<sup>17</sup> IPSS modeling projects Tokyo, which has the nation's lowest fertility rate, will maintain its current population growth until 2030 on the basis of interregional migration before joining every other prefecture in population decline.<sup>18</sup> For Japan, the course has effectively been set, as certain demographic realities cannot be remedied in the short term by policies encouraging an increased birth rate alone. While Japan's elderly may be leading increasingly longer, healthier, and more productive lives, there is little doubt their expanding cohort will place significant burdens on pension and medical services, absent wholesale policy reform.

On a macro scale, the worry is that a larger portion of citizens aged over 65 will create a smaller working population. In Japan, the number of workers supporting each retiree has been

---

<sup>13</sup> Masataka Nakagawa, "The 'oldest old' Japan is aging faster than we think," *East Asia Forum Quarterly*, (July-September, 2019): 26.

<sup>14</sup> Nakagawa, "The 'oldest old,'" 26.

<sup>15</sup> Nakagawa, "The 'oldest old,'" 26.

<sup>16</sup> Nakagawa, "The 'oldest old,'" 26.

<sup>17</sup> Nakagawa, "The 'oldest old,'" 26.

<sup>18</sup> Nakagawa, "The 'oldest old,'" 27.

shrinking significantly. Whereas in 1950 there were ten workers for each retiree, in 2000 there were only 3.6. By 2025, the proportion is expected to dip to 1.9.<sup>19</sup> Additionally, a smaller workforce might mean a lower level of demand in the economy, which in turn impacts inflation, which then affects interest rates. As interest rates become neutral, or even lower than that, politicians will be constrained in their monetary policy options when facing economic downturns and recessions, and they won't be able to rely on the usual tools of raising and lowering interest rates.<sup>20</sup> This phenomenon, sometimes referred to as Japanification,<sup>21</sup> is not isolated to Japan, as similar demographic changes will, and already are, impact other postindustrial societies. Japan is just the farthest along so far. The country's declining fertility rate has long worried lawmakers and economists. By 2003, the average number of children a woman would bear dropped from 1947's high of 4.3 to just 1.29.<sup>22</sup> Today, the number hovers around 1.5, well below the fertility rate of 2.07 that would be needed to maintain Japan's current population.<sup>23</sup> Ultimately, the demands of Japan's modern work culture have presented the greatest challenges to women in achieving a work-life balance conducive to childbearing.

### **Japanese Women in the Workforce**

Between 1970 and 2010, the mean age of married women in Japan increased from 24.2 to 28.8, making Japan one of the latest-marrying nations globally.<sup>24</sup> For many Japanese women, getting married and starting a family is no longer the default, as changing social norms and greater economic freedoms see many opt to delay or even forego childbearing and marriage.<sup>25</sup> For the most part, Japanese men, like their global counterparts, do not help alleviate the pressure of childbearing. In households with dual earners, women are often forced to choose between furthering a personal career and starting a family. By global standards, Japan placed 120th in the World Economic Forum's Global Gender Gap Report for 2021, with a new estimation that it will

---

<sup>19</sup> Jeff Kingston, *Critical Issues in Contemporary Japan* (Milton: Routledge, 2019), 185.

<sup>20</sup> Brendan Greeley, "Why US Economists are Obsessed with 'Japanification,'" *Financial Times*, February 3, 2020.

<sup>21</sup> See, Brendan Greeley, "Why US Economists are Obsessed with 'Japanification,'" *Financial Times*, February 3, 2020.

<sup>22</sup> Kingston, *Critical Issues in Contemporary Japan*, 185.

<sup>23</sup> Kingston, *Critical Issues in Contemporary Japan*, 186.

<sup>24</sup> Setsuya Fukuda, "The Changing Role of Women's Earnings in Marriage Formation in Japan," *SAGE Journals*, (January 2013): 107.

<sup>25</sup> Kingston, *Critical Issues in Contemporary Japan*, 186.

take 136.5 years to close the gender gap at the current level of policy programming.<sup>26</sup> While the Japanese government has begun to work with companies to implement mother-friendly policies to support women continuing their careers in motherhood, it has often done so at the cosmetic or theoretical level only.<sup>27</sup> In practice, meaningful corporate reforms have been slow-going and accompanied by few government incentives.

For dual-income families, finding adequate childcare remains a sizable challenge.<sup>28</sup> The waitlists for entrance into public day-care facilities often exceed 25,000 individuals, with urban centers seeing the greatest demand. Alternative private options are usually expensive and are often seen as inferior to public programs. The result has been that 62 percent of working mothers drop out of the workforce upon having their first child, even though they may take up to a year of partially paid leave.<sup>29</sup> Once out of the workforce, it is difficult for many Japanese mothers to reenter, as the corporate system emphasizes continued tenure and limits mid-career opportunities. For those that do manage to reenter, drops in pay and position are common.<sup>30</sup> As one might expect then, government studies have shown these disparities positively correlate individuals' likelihood of marriage and childbearing with their income level. Of those making less than ¥3 million in their 20s and 30s, only 8 to 10 percent were married. Those above this threshold in the same age group married at proportions between 25 and 40 percent, with the proportion increasing with income level.<sup>31</sup>

While many of the issues fertility rate declines present will require long-term planning and problem solving, their gradual and predictable nature does provide hope for sound management—if meaningful action is taken swiftly. While the situation is undoubtedly serious, it has been on the government's radar since the 1980s, and as such, policy programming has adjusted to begin meeting the issues a graying Japan faces. With more targeted policy programming in expanding social services, lessening barriers to childcare, and providing flexible security across regular and nonregular work, the government can support Japanese women in whatever decisions they make

---

<sup>26</sup> World Economic Forum, *Global Gender Gap Insight Report 2021* (Cologney: World Economic Forum, March 2021), 233.

<sup>27</sup> Setsuya, "The Changing Role of Women's Earnings in Marriage Formation in Japan," 108.

<sup>28</sup> Kingston, *Critical Issues in Contemporary Japan*, 186.

<sup>29</sup> Kingston, *Critical Issues in Contemporary Japan*, 187.

<sup>30</sup> Setsuya, "The Changing Role of Women's Earnings in Marriage Formation in Japan," 115.

<sup>31</sup> Kingston, *Critical Issues in Contemporary Japan*, 187.

in marriage, childbearing, and their careers.<sup>32</sup> In addition to wider immigration programming, the activation of women in the workforce will prove integral to stemming the tide of demographic change.

### **The Challenges of Eldercare**

Before women can more successfully participate in the workforce, however, the consistent socio-economic and gendered strain of eldercare must also be addressed. In the presence of various social and cultural factors, more than 90 percent of Japanese citizens aged sixty-five and older want and choose to live independently at home and not participate in assisted-living institutions.<sup>33</sup> Instead, because of many of the same socio-cultural expectations, female relatives account for 85 percent of elder caregivers.<sup>34</sup> The problem today is that more than half of these female caregivers are now over the age of sixty themselves, nearing a time when they may also require assistance. To meet these demographic challenges, broader policy programming actions will be required. In 2019, just over 2 percent of Japan's population was composed of foreign residents, but in the face of acute labor shortages, an amended Immigration Act for 2019 was approved in the Diet, adding new visa categories and qualifications for foreign workers in fourteen sectors—most notably in eldercare.<sup>35</sup> Like many other postindustrial societies, the demanding nature of eldercare, combined with macro-demographic changes, has led Japan to increased outsourcing and globalization of the eldercare industry. Relatively unique to Japan, however, are the stringent challenges and barriers to the successful recruitment and long-term retainment of eldercare workers. Facing a shortage of more than 400,000 caregivers, Japan has turned to limited engagement through Economic Partnership Agreements with Southeast Asian countries (like the Philippines, Indonesia, and Vietnam) to recruit up to 1,000 eldercare workers per country for contracts of three to four years.<sup>36</sup> Even in limited numbers, these workers remain controversial among jingoists. Troublingly, the United Nations predicts Southeast Asia will soon face its own demographic aging as fertility rates begin to crater.<sup>37</sup> Along with the globalizing of the care

---

<sup>32</sup> Toshimitsu Shinkawa, "Substitutes for Immigrants? Social Policy Responses to Population Decreases in Japan," SAGE Journals, (January, 2012): 1132-1133.

<sup>33</sup> Kingston, *Critical Issues in Contemporary Japan*, 189.

<sup>34</sup> Kingston, *Critical Issues in Contemporary Japan*, 188.

<sup>35</sup> Nakagawa, "The 'oldest old,'" 27.

<sup>36</sup> Kingston, *Critical Issues in Contemporary Japan*, 188.

<sup>37</sup> Nakagawa, "The 'oldest old,'" 27.

industry comes a furthering of historical inequalities, questions of access to eldercare, and the socio-economic implications of a graying world in intra- and inter-regional terms.

### **Foreign Workers in Japan**

Among the greatest domestic issues with foreign care workers have been retaining them in the long term. Language requirements and national exams must be passed to remain in Japan, and visas for three- to four-year contracts can only be renewed a maximum of three times.<sup>38</sup> These high barriers to entry and participation, and the looming fear of failing examinations and being sent home after just a few years of work, have severely challenged recruitment efforts. Facing extremely low rates of exam passage in the early 2010s, the government subsidized additional language tutoring for caregiver candidates, and by 2017, some 65,574 caregivers had gained certification.<sup>39</sup> However, these rates of certification fall far below the government's care worker shortage projection, which is estimated to reach 380,000 by 2025.<sup>40</sup> While families and individuals may have socio-cultural reservations about the reliance on foreign workers to care for their loved ones, the reality remains that shortages are abundant and the demand for care will continue to grow. For the government's part, its ad-hoc, piecemeal, and incremental approach to long-term eldercare solutions is unsustainable. Summarized by its disposition toward sending overqualified nurses home for exam failures rather than redoubling investment in them, the government has displayed a disconnect with the needs of individuals and communities. For meaningful change, policy programming for eldercare must evolve quickly, or soon the elderly will be caring for their seniors.

Beyond just eldercare, the issue of wider immigration—to stem impending labor shortages and stabilize the tax base—remains even more controversial. Born both from nativist reservations and fears of exploitation and human rights abuses, Japanese immigration reform has remained a hot-button issue among lawmakers. While the Heisei era (平成 1989–2019) saw the number of foreign residents in Japan double—from 1.1 to 2.3 million—they remain only some 2 percent of Japan's population.<sup>41</sup> In the face of a shrinking workforce and an inversion of the pension payment pyramid, corporate and government solvency will largely depend on Japan's

---

<sup>38</sup> Kingston, *Critical Issues in Contemporary Japan*, 189.

<sup>39</sup> Kingston, *Critical Issues in Contemporary Japan*, 190.

<sup>40</sup> Kingston, *Critical Issues in Contemporary Japan*, 190.

<sup>41</sup> Nakagawa, "The 'oldest old,'" 27.

ability to sustain its workforce. For skeptics who want to preserve ethnic homogeneity, the reality that the country would likely require 381,000 immigrants a year to stabilize its population and social insurance schemes is unfathomable.<sup>42</sup> Instead, the Japanese government has sought to use narrowly targeted visa revisions across twenty-seven categories to allow for temporary work and residency in specific fields.<sup>43</sup> These revisions were followed in 2019 with new five-year visa categories for some semi-skilled and unskilled workers, allowing for 345,000 laborers in specific fields to migrate to Japan between 2019 and 2024.<sup>44</sup> While shy of the more than 1.9 million immigrants UN projections predict Japan would need in the same five-year time frame, the change is a welcomed start for many.

### Conclusion

While much official discourse has been skeptical of immigration, and almost a third of Japanese survey respondents fear increased immigration will bring crime and social service strains to their country,<sup>45</sup> many more Japanese citizens are thankful for the contributions of foreigners. This is not to say that immigration to and residency in Japan are easy today, as those who do achieve residency are often still relegated to the periphery of Japanese society.<sup>46</sup> While government programming seems to be thawing to the idea of slowly increasing immigration, as one component of a greater policy solution, it is important to distinguish between what kinds of immigration government programming prefers. Attention has increasingly been devoted to reforming the immigration and certification systems for eldercare-designated immigrants, but the Ministry of Justice broadly continues to favor skilled over unskilled migrants.<sup>47</sup> Additionally, the requisites of language fluency and national examination requirements continue to advantage the educated foreign elites with opportunities to study in Japan for residency.<sup>48</sup> Even in the face of automation and technological innovation, the future of Japan's social service schemes, manufacturing sector, and government revenues will depend on more substantial and less technocratically defined

---

<sup>42</sup> James F. Hollifield and Michael Sharpe, "Japan as an Emerging Migration State," *International Relations of the Asia-Pacific* 17, no. 3 (September 2017): 374.

<sup>43</sup> Gabrielle Vogt, "Foreign Workers in Japan," in *The SAGE Handbook of Modern Japanese Studies*, ed. James D. Babb (London: SAGE Publications Ltd, 2015), 6.

<sup>44</sup> Menju Toshihiro, "Japan's Historic Immigration Reform: A Work in Progress," *Nippon*, February 6, 2019.

<sup>45</sup> See Prime Minister Office Poll (2004), in Kingston, *Critical Issues in Contemporary Japan*, 194.

<sup>46</sup> Vogt, "Foreign Workers in Japan," 6.

<sup>47</sup> Vogt, "Foreign Workers in Japan," 3.

<sup>48</sup> Vogt, "Foreign Workers in Japan," 6.

immigration. At its current trend, immigration will not substantially alter the course of labor shortages, consumption lulls, fertility declines, and issues of social insurance solvency in Japan. Until the political climate is more conducive to greater immigration allowances, policymakers must look elsewhere in the short term.

In a globalized world, the international division of labor has necessitated a willingness for states to think and act as part of an economic system that extends beyond physical borders. While many states leaned toward this tendency because of the wealth it offers, far fewer have pursued the logical conclusion that globalization also encourages the freer movement of people. In the absence of more liberal immigration policies, Japan has sought to restrict, limit, and specify immigration while simultaneously facing monumental demographic changes it has been working to rectify since the 1980s. While the greater activation and empowerment of women and allowance of foreign workers in the eldercare sector may help to blunt the woes of labor shortages, they are only a drop in the bucket against the sea of looming demographic change. While the predictability of these changes should dispel scaremongering headlines, their long-term implications remain a real challenge to Japan's socio-economic fabric. Japan is far from alone when it comes to jingoistic discourse surrounding domestic immigration debates. For a globalized world that is increasingly heckled by reactionary nationalisms, the destabilizing demographic changes wrought by 'Japanification' should serve as a warning to naïve political skeptics. In Japan and beyond, turning inward in an outward-looking system will only hamper progress. Without the help of immigrants in the face of demographic changes, the resiliency of postindustrial state institutions—and the elderly populations they are designed to protect—may not endure the test of time.

## Bibliography

- Fukuda, Setsuya. "The Changing Role of Women's Earnings in Marriage Formation in Japan," *SAGE Journals*, (January 2013): 107.
- Greeley, Brendan. "Why US Economists are Obsessed with 'Japanification,'" *Financial Times*, February 3, 2020.
- Hollifield, James F. and Michael Sharpe, "Japan as an Emerging Migration State," *International Relations of the Asia-Pacific* 17, no. 3 (September 2017): 374.
- Kingston, Jeff. *Critical Issues in Contemporary Japan* (Milton: Routledge, 2019), 185.
- Nakagawa, Masataka. "The 'oldest old' Japan is aging faster than we think," *East Asia Forum Quarterly*, (July-September, 2019): 26.
- Ritzer, George and Paul Dean, *Globalization* (Hoboken: Wiley-Blackwell, 2019), 200.
- Rebick, Marcus. "The Japanese Economy," in *The SAGE Handbook of Modern Japanese Studies*, ed. James D. Babb (London: SAGE Publications Ltd, 2015), 8.
- Shinkawa, Toshimitsu. "Substitutes for Immigrants? Social Policy Responses to Population Decreases in Japan," *SAGE Journals*, (January, 2012): 1132-1133.
- Toshihiro, Menju. "Japan's Historic Immigration Reform: A Work in Progress," *Nippon*, February 6, 2019.
- Vogt, Gabrielle. "Foreign Workers in Japan," in *The SAGE Handbook of Modern Japanese Studies*, ed. James D. Babb (London: SAGE Publications Ltd, 2015), 6.
- World Economic Forum, *Global Gender Gap Insight Report 2021* (Cologney: World Economic Forum, March 2021), 233.