

I understand and will uphold the ideals of academic honesty as stated in the Honor Code.

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Effective Writing, WR100-05

21 April 2016

### A Proposal for Addressing Baltimore's Housing Inequality

Sixty-two percent of the 622,000 people populating Baltimore City are black or African-American, and 22.3% of that population lives in poverty (“Quickfacts: Baltimore city, Maryland”). Visitors to Baltimore are usually struck by the startling correlation between housing and race. Some other American cities, like Chicago and Detroit, also hold this stark racial segregation through housing in which the city is divided into rich white blocks and poor black neighborhoods. This segregation stems from racial discriminations of the past and unfair banking loan practices. In today's world, these corrupt practices are no longer a known problem, but the impact that this separation has on society — both black and white — has resulted in a divided city with high levels of violence and poverty, and consequently foreclosures and homelessness. The purpose of this document is to address the housing inequality that exists in Baltimore between the races, and to propose a solution in order to avoid the continuation of divided neighborhoods. I propose that we address housing inequality and give poor residents of African-American neighborhoods the opportunity to build a more successful future by establishing non-profit organizations that offer free wealth management advising. These non-profit organizations will be funded through a social media campaign, which will also raise awareness of the problem.

Baltimore's housing inequality is rooted in various racist practices of the past, both outdated and modern. We can trace the American history of racism back to the times during and

after slavery as thousands of African-Americans migrated to the relatively liberal North in search of a better life. Although the North was not as extreme in their discrimination as the South was, housing inequality is one topic that was greatly affected. African-Americans centralized in mostly urban areas because of the greater availability of homes and jobs. Especially in Baltimore City, which sits just south of the Mason-Dixon Line, the creation of white and black neighborhoods was drastic. Many realtors refused to sell houses to black clients, or refused to sell property near or around white neighborhoods. In the 19th century, these realtors began practicing blockbusting, which is defined as:

The intentional action of real estate operative to settle an African American household in an all-white neighborhood for the purpose of provoking white flight in order to make excessive profits by buying low from those who fled and selling high to those who sought access to new housing opportunities. (Edward 4)

Blockbusting was just one of many tactics used by loan officers to gain profit through racism and thereby white flight from certain neighborhoods.

Through the use of these scare tactics, realtors fed into the dangerous cycle of racism and established distinct white and black neighborhoods. Along with the practice of blockbusting, many banks took advantage of the natural market for subprime lending and caused riskier mortgages, and thus foreclosures to accumulate disproportionately in Baltimore's minority neighborhoods (Rugh, Masse 630). These loan officers took advantage of the black population that could not afford to pay and trapped them during the 2007 recession when the housing market crashed. This exploitation of black Baltimore residents through risky loans and mortgages was caused by a desire of profit by the banks and was rooted in racism. The foreclosures resulting from subprime mortgages are representative of the impact that Baltimore's housing system is

flawed and highlight the idea that something must be done. After measuring the correlation in 100 American cities between foreclosures and race, Jacob Rugh and Douglas Masse concluded that, “Whether measured in terms of residential dissimilarity or spatial isolation, segregation of African Americans is a powerful and highly significant predictor of the number and rate of foreclosures across U.S. metropolitan areas” (645). Housing inequality in Baltimore, a direct result of blockbusting and discriminatory mortgage practices, resulted in foreclosures all over the city, yet heightened the segregation since they were mostly present in black neighborhoods.

Housing inequality in Baltimore needs to change in order to end the systematic racism that causes and results from it. Racism has been the cornerstone problem in American society since the establishment of this nation, however it should not be present in our modern world. Although a social problem as general as racism cannot be solved by grassroots solutions and welfare advising alone, we can begin to address the segregation through housing. Through the rise of awareness about housing options in black neighborhoods, people would have the ability to plan and manage their future. Of course this transition will take a long time, but we can take the first step now by establishing welfare advice agencies in poor black neighborhoods. It is unacceptable that Baltimore is racially divided the way that it is. The presence of poor neighborhoods will always result in high violence and poverty within those neighborhoods, but when only black residents inhabit these poor neighborhoods, there is a systematic problem that we need to address. As Ta-Nehisi Coates says in his award-winning article “The Case for Reparations,” “Until we reckon with our compounding moral debts, America will never be whole” (Coates Par. 1).

Given this social problem, I am proposing the following step to get the ball rolling for change: the launch of a social media campaign to address the issue of housing inequality in

Baltimore City. In our modern world, people are constantly on social media and are able to discuss political ideas for change with the quick tap of a finger on a screen or keyboard. By taking advantage of this tech-savvy world, I propose that we launch a campaign on all forms of social media (Facebook, Instagram, Twitter, etc.) to raise awareness about the problem and fund the establishment of wealth management agencies in low-income neighborhoods. This campaign, called “We All Live in Baltimore,” could include personal stories of African-American residents who suffered during the 2007-08 recession and the foreclosure crisis, using pathos (emotional appeal) as a form of rhetorical persuasion. In addition to the use of pathos, “We All Live in Baltimore” could highlight the startling facts about housing in Baltimore City, altogether promoting change and raising money and donations for the cause. These funds will be put towards the creation of agencies in low-income black neighborhoods in Baltimore that will educate residents about housing and mortgage opportunities in order to avoid the continuation of unfair banking practices. “We All Live in Baltimore” will raise funds and hopefully inspire others to address the problem in Baltimore until proper change is achieved.

Wealth management advising offices in low-income black neighborhoods that are run by banking professionals from Wells Fargo will give unprivileged people more equal opportunities to manage their wealth and future. Wells Fargo owes more than money to the city of Baltimore and should pay restitution through volunteer work with the underprivileged black population of Baltimore to right the wrongs of their past. After the city of Baltimore filed a lawsuit against Wells Fargo accusing the corporation of targeting the black population, Beth Jacobson, a loan officer at Wells Fargo bank at the time, came forth to explain how, “Wells Fargo saw the black community as fertile ground for subprime mortgages, as working-class blacks were hungry to be a part of the nation’s home-owning mania” (Powell Par. 3). The loan officers pushed customers

who could have qualified for prime loans into subprime mortgages, and were blatantly commenting on black clients as, “‘mud people’ and to subprime lending as ‘ghetto loans’” (Powell Par. 3). Powell explains the overt racist and corrupt practices that were occurring at Wells Fargo on a daily basis, since the company was just out to make more profit off of increased interest and risk-taking with no concern for the lives of black residents. Although Baltimore must take these actions into account, the focus of this proposal is not to highlight the wrongs of the past but to right these wrongs and create an equal and integrated society through housing.

With the agreed volunteer work of Wells Fargo wealth advisors to run the agency, the logistics must be decided upon. These agencies would offer help with managing current money of clients and planning of future incomes through the help of career advice and résumé building. In the early 1990s, the Annie E. Casey Foundation recognized the importance of addressing economic opportunity as a key component of a larger set of strategies needed to create family economic success for low-income families. Applicable to Baltimore, these goals clearly require increasing the employment and earnings opportunities of low-skilled, low-income adults. To address a similar challenge as the one in this proposal, “The Casey Foundation embarked on the Jobs Initiative (JI), an eight-year effort in six cities to connect inner-city young men and women to family-supporting jobs in the regional economy and to improve the way urban labor market systems work for low-income, low-skilled workers” (The Annie E. Casey Foundation). My proposed wealth management agencies would address the same ideas and solutions as the Jobs initiative but in relation to wealth management and housing plans, thereby also relating to employment opportunities as clients plan for their future.

Plans like the Jobs Initiative and organizations like the Govans Ecumenical Development Corporation (GEDCO: a large non-profit in Baltimore) can be used as examples for my suggested agencies. In following these examples, the education and awareness of housing inequality could grow and help thousands of Baltimore residents looking for economic advice and change. With, “Families and individuals in crisis should always have someone on whom they can rely,” as their slogan, GEDCO assists thousands of people in connecting them with resources that will help them to move towards self-sufficiency, in order to permanently escape the cycle of crises that exist in Baltimore’s poor neighborhoods. They focus mainly on employment opportunity and general care of the less privileged, thereby helping to create a more equal and loving society. I hope that my proposed agencies can follow the goals set out by GEDCO and channel it towards housing inequality in Baltimore, together working to create equal opportunity in all aspects of life.

Finally, I would like to restate the costs and benefits of my proposed plan. Although the finances for the agencies rely on donations through the social media campaign, “We All Live in Baltimore,” they are still attainable. With the right advertising techniques in the campaign, we can spread our hope for a more equal future online and raise awareness among all residents of Baltimore. The benefits of this plan are not only a less divided city, but also a city with fewer social problems. Crime and violence rates are the highest in neighborhoods of poverty in any city, and the life expectancy also drops drastically between rich and poor neighborhoods. Hopefully, in changing the housing system in Baltimore, we can work together as a community to create a city that does not suffer from racism or discrimination.

The segregation that is present in Baltimore takes its form in both race and wealth. The exploitation of one race through banking practices results in negative consequences for that race,

and increases the wealth for the other. It is time that we right our wrongs of the past and stop living in a segregated society. Through wealth management education for poor black residents, and an active rise in awareness of the problem through a social media campaign, we can address the problem of housing inequality in Baltimore City. Although this process of creating a city free of housing inequality is not a simple task, it is one that we should carry out with passion and desire for progress. Baltimore's segregation is a real problem that will only worsen with time, but we have the power to try and change it now. So let's do it.

Hi Professor Brizee,

I'm really glad all my work paid off for the research paper! I would love for my paper to be used as an example on your website, and give you my permission to post it. Would you like me to correct the errors and send it back to you?

I will be revising my project 2 assignment for the project 4 revision, so let me know if you would also like me to edit project 3 for your website.

Thank you so much for the kind feedback!

Fiona Bentham

## Work log

<b>date</b>	<b>time spent</b>	<b>Work completed</b>
3/21	1 hour	Topic and primary and secondary questions chosen
3/27	2 hours	Research (Not in my neighborhood + Blockbusting in Baltimore)
3/30	1 hour	Outline created
4/3	1 hour	Audience Analysis + research
4/4	2 hour	Research
4/8	2 hours	Drafting + peer editing + complete annotated bibliography
4/13	1 hour	Drafting + peer editing
4/17	2 hours	Drafting
4/18	2 hour	Research + drafting
4/19	1 hour	Full rough draft completed
4/20	2 hours	Editing
4/21	1 hour	Editing
4/22	1 hour	Editing → Final draft completed - 19 hours total

## Works Cited

Annie E. Casey Foundation. "Good Jobs And Careers: What Communities Need to do to Train and Move Low-Income, Low-Skilled People into Good Jobs and Careers." ERIC (2005). Web.

This scholarly source explains the goals and solutions of the Annie E. Casey Foundation in helping the less privileged find suitable jobs. It was an effective example that offered solutions to employment inequality. It also offers an example organization to base my proposal off of.

Coates, Ta-Nehisi. "The Case for Reparations." *The Atlantic* June 2014. Web.

This fascinating journalistic source offers a "case for reparations" through which our society should face the discrimination we have systematically forced upon the African American population. It is a very moving piece that uses both logos and pathos to make its point clear and effective. I found it helpful to read not only as research, but as a sample proposal for addressing racial inequality.

Orser, W. Edward. *Blockbusting in Baltimore*. The University Press of Kentucky, 1994. Print.

This nonfiction book gave a detailed description of Baltimore's segregated past through the practice of blockbusting. It is a great source of information for blockbusting, but not much else. When researching the causes of Baltimore's segregated housing, I found "Blockbusting in Baltimore" extremely helpful since Baltimore's blockbusting is a huge contribution for the layout of the city today.

Pietila, Antero. *Not In My Neighborhood*. Chicago: Ivan R. Dee, 2010. Print.

This nonfiction book is just as interesting as “Blockbusting in Baltimore,” but offers a more varied description of Baltimore’s housing inequality. This was the most important source for me, and I learned a lot about the topic from reading Pietila’s book.

Powell, Michael. “Bank Accused of Pushing Mortgage Deals on Blacks.” *The New York Times* 6 June 2009. Web.

This journalistic source addressed the lawsuit filed by the city of Baltimore against Wells Fargo, and offers an inside perspective on the topic from loan officers themselves. I found this article very helpful in researching the mortgage scandal of Wells Fargo.

“Quickfacts: Baltimore city, Maryland.” *United States Census Bureau*. Web. 17 April 2016.

As my single online source, this census offers all information a census should: population, age, race, etc. I found it interesting to the statistics behind Baltimore’s housing inequality, and found the website very effective in allowing me to realize the kairotic nature of the problem.

Rugh, Jacob S. and Douglas S. Masse. “Racial Segregation and the American Foreclosure Crisis.” *American Sociological Review* Vol. 75, No. 5 (2010): 629-651. Web.

This scholarly source measured the correlation between foreclosures and race between 100 American cities, and then analyzed the given data. It was an effective example of analysis of the problem, but not quite as on-topic as my other sources. I used it in discussing the effects of racial segregation and the kairotic nature of the problem.

Sixty-two percent of the 622,000 people populating Baltimore city are black or African American, and 22.3% of that population is living in poverty (“Quickfacts: Baltimore city, Maryland”). *Maybe don’t start off directly with this stat, try to lead into it so people understand it more? Idk, it seems like this fact comes out of nowhere kind of.* Any visitor of Baltimore is usually struck by the startling correlation between housing and race. Some other American cities, like Chicago and Detroit, also hold this stark racial segregation through housing, in which the city is divided into rich white blocks and poor black neighborhoods. This segregation stems from racial discriminations of the past and unfair banking loan practices. In today’s world, these corrupt practices are no longer a known problem, but the impact that this separation has on society — both black and white — has resulted in a divided city with high levels of violence and poverty, and consequently foreclosures and homelessness. The purpose of this document is to address the housing inequality which exists in Baltimore between the races, and to propose a solution in order to avoid the continuation of divided neighborhoods. With a social media campaign to raise awareness of the problem and create funding, I propose the establishment of non-profit organizations that offer free wealth management advising from banking professionals, giving poor residents of black neighborhoods the opportunity to build a more successful future and end a divide between the races.

This housing inequality is rooted in various racist practices of the past, both outdated and modern. We can trace the American history of racism back to the times during and after slavery as thousands of African Americans migrated to the relatively liberal North in search of a better life. Although the North was not as extreme in their discrimination as the South was, housing inequality is one topic that was greatly affected. African Americans centralized in mostly urban areas because of the greater availability of homes and jobs. Especially in Baltimore city, which

sits just south of the Mason-Dixon Line, the creation of white and black neighborhoods was drastic. Many realtors refused to sell houses to black customers, or refused to sell property near or around white neighborhoods. In the 19th century, these realtors began practicing blockbusting, which is defined as:

The intentional action of real estate operative to settle an African American household in an all-white neighborhood for the purpose of provoking white flight in order to make excessive profits by buying low from those who fled and selling high to those who sought access to new housing opportunities. (Edward 4)

Through the use of these scare tactics, realtors fed into the dangerous cycle of racism and established distinct white and black neighborhoods. Along with the practice of blockbusting, many banks took advantage of the natural market for subprime lending and caused riskier mortgages, and thus foreclosures to accumulate disproportionately in Baltimore's minority neighborhoods (Rugh, Masse 630). These subprime mortgages took advantage of the black population that could not afford to pay, and trapped them during the 2007 recession when the housing market crashed. This exploitation of black Baltimore residents through risky loans and mortgages was caused by a desire of profit by the banks, and was rooted in racism. The foreclosures resulting from subprime mortgages are representative of the impact that Baltimore's housing system is flawed, and highlight the idea that something must be done. After measuring the correlation in 100 American cities between the numbers of foreclosures and race, Jacob Rugh and Douglas Masse concluded that, "Whether measured in terms of residential dissimilarity or spatial isolation, segregation of African Americans is a powerful and highly significant predictor of the number and rate of foreclosures across U.S. metropolitan areas," (Rugh, Masse 645). Housing inequality in Baltimore, a direct result of blockbusting and discriminatory mortgage

practices, resulted in foreclosures all over the city, yet heightened the segregation since they were mostly present in black neighborhoods.

Baltimore's housing inequality is a systematic form of racism that needs to be changed. Racism has been the cornerstone problem in American society since the establishment of this nation, however it should not be present in our modern world. Although a social problem as general as racism cannot be solved by grassroots solutions and welfare advising, the segregation through housing can begin to be addressed. Through the rise of awareness about housing options in black neighborhoods, people would have the ability to plan and manage their future. Of course this transition will take a long time, with the establishment of many welfare advice agencies in poor neighborhoods as well as many other steps, the first step must be taken now. It is unacceptable that Baltimore is racially divided the way that it is. The presence of poor neighborhoods will always result in high violence and poverty within those neighborhoods, but when the poor neighborhoods are inhabited by only black residents while the rich are white, there is a systematic problem that needs addressing. As Ta-Nehisi Coates says in his award-winning article *The Case for Reparations*, "Until we reckon with our compounding moral debts, America will never be whole," (Coates) *you already said the author's name, so you don't need to say it again in parentheses. Maybe put the chapter or paragraph # (Ch. 5, Par. 7) instead.*

Given this social problem, I am proposing the following step to get the ball rolling for change: the launch of a social media campaign to address the issue of housing inequality in Baltimore city. In our modern world, people are constantly on social media and are able to discuss political ideas for change with the quick tap of a finger on a screen or keyboard. By taking advantage of this tech-savvy world, I propose that a campaign is launched on all forms of social media (facebook, instagram, twitter, etc.) in order to raise awareness about the problem

and fund the establishment of non-profit wealth management agencies in low-income neighborhoods in Baltimore. This campaign could include personal stories of black residents who suffered during the 2007-08 recession and the foreclosure crisis, using Aristotle's pathos as a form of rhetorical persuasion. In addition to the use of pathos, the campaign could highlight the startling facts about housing in Baltimore city, altogether promoting change for Baltimore and raising funding and donations for the cause. These funds raised will be put towards the creation of agencies in low-income black neighborhoods in Baltimore that will educate residents about housing and mortgage opportunities in order to avoid the continuation of unfair banking practices. The social media campaign, in addition to raising funds, will also hopefully inspire others to address the problem in their own way and spark conversation on a daily basis in Baltimore until proper change is achieved. ^^maybe think of a name for the campaign?

The establishment of welfare advising offices in low-income black neighborhoods that are run by banking professionals from Wells Fargo will give unprivileged people more equal opportunities to manage their wealth and future. Wells Fargo owes more than money to the city of Baltimore, and should pay restitution through volunteer work with the underprivileged black population of Baltimore to right the wrongs of their past. After a lawsuit was filed against Wells Fargo accusing the corporation of targeting the black population in Baltimore, Beth Jacobson, a loan officer at Wells Fargo bank at the time, came forth to explain how, "Wells Fargo saw the black community as fertile ground for subprime mortgages, as working-class blacks were hungry to be a part of the nation's home-owning mania." (Powell pg. 12 or whatever). The loan officers pushed customers who could have qualified for prime loans into subprime mortgages, and were blatantly commenting on black clients as, "'mud people' and to subprime lending as 'ghetto loans,'" (Powell). Powell explains the overt racist and corrupt practices that were occurring at

Wells Fargo on a daily basis, since the company was just out to make more profit off of increased interest and risk-taking with no concern for the lives of black residents. Although these actions need to be taken into account, the focus of this proposal is not to highlight the wrongs of the past but to right these wrongs and create an equal and integrated society through housing.

With the agreed volunteer work of Wells Fargo wealth advisors to run the agency, the logistics must be decided upon. Focusing on addressing housing inequality in Baltimore city, I propose to establish a few wealth management agencies in neighborhoods of Baltimore which were most affected by the foreclosure crisis and blockbusting, and that have the highest rates of black people and the lowest rates of white people living there. These agencies would offer help with managing current money of clients and the planning of future incomes through the help of career advice and resume building. In the early 1990s, the Annie E. Casey Foundation (AECF) recognized the importance of addressing economic opportunity as a key component of a larger set of strategies needed to create family economic success for low-income families. Applicable to Baltimore, these goals clearly require increasing the employment and earnings opportunities of low-skilled, low-income adults. To address a similar challenge as the one in this proposal, “The Casey Foundation embarked on the Jobs Initiative (JI) , an eight-year effort in six cities to connect inner-city young men and women to family-supporting jobs in the regional economy and to improve the way urban labor market systems work for low-income, low-skilled workers,” (The Annie E. Casey Foundation). The establishment of my proposed wealth management agencies would address the same ideas and solutions as the Jobs initiative but in a relation to wealth management and housing plans, thereby also relating to employment opportunities as clients plan for their future.

In using plans like the Jobs Initiative and organizations like GEDCO cares as examples, these suggested agencies could grow and help thousands of Baltimore residents looking for economic advice and change. With, “Families and individuals in crisis should always have someone on whom they can rely,” as their slogan, GEDCO cares assists thousands of people in connecting them with resources that will help them to move towards self-sufficiency, in order to permanently escape the cycle of crises that exist in Baltimore’s poor neighborhoods. MORE

The segregation that is present in Baltimore takes its form in both race and wealth. The exploitation of one race through banking practices results in negative consequences for that race, and increases the wealth for the other. It is time that we right our wrongs of the past, and stop living in a segregated society. Through education about wealth management for low-income black residents in Baltimore from Wells Fargo banking professionals, and an active rise in awareness of the problem through a social media campaign, the problem of housing inequality in Baltimore city can be addressed. Although this process of creating a city free of housing inequality is not a simple task, it is one that should be carried out with passion and desire for progress. It is not right that Baltimore is segregated the way that it is, but we have the power to try and change something; so let’s do it.