Making the Third Ghetto: Race, Gender, and Family Homelessness in Washington, DC, 1977–1989

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This article posits that the emergency shelter system which emerged in the 1970s, first as an informal network of local and faith-based assistance and then institutionalized by the late 1980s, was Washington, DC’s third ghetto. Defining this “new,” visible homelessness in the context of the third ghetto exposes its points of convergence with the second ghetto in the increasing use of welfare hotels. This study revisits Arnold Hirsch’s Making the Second Ghetto to examine housing precarity and racial subordination in Washington, DC’s first and second ghettos. Additionally, I argue that acknowledging the resilience of the black female heads of household (FHHs) living in the public housing of the 1970s and 1980s in the second ghetto and examining homeless families living in welfare hotels in connection with neoliberal policies and practices in homeless assistance service provision during the 1980s are essential to understanding the making of the third ghetto in Washington, DC.

INTRODUCTION

“Do you want to get warm?”
The man rolled slightly, looked up and shook his head no.
“Do you want to fight?”
The visitor replied, “Not tonight, it’s too cold.”
Rising to leave he placed a sandwich by the man.¹

This exchange took place in 1977, during one of the coldest winters in fifty years in the District of Columbia. Colman McCarthy, a Washington Post columnist, was there to witness this conversation and profile the lives of those activists offering succour to the homeless living on the streets of the nation’s capital. Members of the Community for Creative Non-Violence (CCNV) allowed McCarthy to document their endeavour to offer temporary shelter and sustenance to the homeless poor on this one night, ride-along. One

¹ Colman McCarthy, “Night Hospitality,” Washington Post, 21 Dec. 1977, A27.
of the tragic revelations of McCarthy’s ensuing article was the prevalence of people living on the street and sheltering themselves in makeshift heat-generating spaces: atop hot-air vents in front of the Federal Reserve or the Corcoran Gallery, in the Greyhound and Trailways stations, and night diners – any place that would allow refuge from the threat of hypothermia. The piece also documented the genesis of CCNV’s “night hospitality” pickup service based at their Zacchaeus soup kitchen at 14th and N streets NW. The previous year, after hosting a Christmas party for the homeless at this facility and watching the homeless return to the streets at its end, these activists asked themselves two simple questions. The first one was: when the poor left their premises, where did they go? The answer to this question led them to the heating grates, vacant lot fires, and alleyways of Washington, DC. Discovering this new urban reality and the ubiquitous absence of overnight shelter facilities for the District’s street people provoked the second question: why not provide hospitality every night? The year 1977 was when street homelessness emerged as a local crisis and a social problem. However, by the end of the Reagan administration (1981–89) this new visible homelessness had become a permanent part of the nation’s urban landscape.

This study argues that the emergency shelter system which came into existence as a solution to this new homeless crisis was Washington, DC’s third ghetto. Although the passage of the Stewart B. McKinney Homeless Assistance Act of 1987 was the first federal legislative response to homelessness and initiated the national institutionalization of the emergency shelter system, the DC Right to Overnight Shelter Initiative (Initiative 17), which guaranteed “adequate overnight shelter to all homeless persons in the District of Columbia,” had a profound impact on the formation of the third ghetto. Despite the fact that grassroots activists, in particular CCNV, helped secure the passage of Initiative 17, the local government’s inadequate response to this mandate only exacerbated the homeless crisis – particularly for homeless families.

Although all the subpopulations of the new homeless era were the targeted groups of the emergency shelter system of homeless assistance services, this article focusses on one iteration of the new homeless population within the third-ghetto framework: African American homeless families on Aid to Families with Dependent Children (AFDC) benefits. Housing precarity in

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3 Ibid.
3 Cynthia J. Bogard, “Activists and the Emergence of Homelessness as a Social Problem in Washington, D.C.,” in Bogard, Seasons Such As These: How Homelessness Took Shape in America (New York: Aldine De Gruyter), 9–28.
4 Stewart B. McKinney Homeless Assistance Act of 19873, Public Law 100-77 (H.R. 558); D.C. Right to Overnight Shelter Initiative, 5-146 (1984), 2, Nadine Winter Papers, Box 86, File 8.
Washington, DC is a history of ghettos whose central fault line has always been race. Although these alley dwellers did not suffer from the transient lifestyle of white, middle-aged homeless men (hobos) traditionally studied in the “old” homelessness, the level of housing insecurity, the deplorable levels of sanitation, and the health conditions they endured merit their consideration as a part of homeless historiography and as the city’s first ghetto.5

This article’s foundation was Arnold Hirsch’s central thesis, which argued for the existence of a second ghetto, as developed in his seminal work Making the Second Ghetto: Race and Housing in Chicago, 1940–1960.6 First published in 1983, Hirsch’s exploration of ghetto formation in postwar Chicago was as controversial as it was groundbreaking. According to Hirsch, the first ghetto was characterized by periods of highly segregated, privately owned residential enclaves that were hemmed in by borders “enforced by hostile white suburbanites.”7 Hirsch’s second ghetto of public-housing projects finds its chronological justification in the examination of black residential areas of Chicago in the years just after World War II and the ascendancy of federal government intervention in urban affairs.8 The first objective of this study is to examine the major criticisms of Hirsch’s ghetto thesis to answer this question: is the ghettoization model an effective analytical tool to understand homelessness at the end of the twentieth century?

Before answering this question, my conceptualization of the three ghettos must be addressed. The first ghetto in Washington, DC pertains to the inhabited alleys that housed the District’s poor and migrant populations. By the end of the eighteenth century, these alleys were primarily populated by African American residents. Although the second ghetto refers to public housing—in line with the Hirschian model—my study examines black female activism and community leadership within this urban space. In contrast to the first and second ghettos—which refer exclusively to urban spaces—I define the third ghetto not only as the homeless shelters themselves but also the assistance services provided to the homeless within them. This framework is applicable to

5 The Old Homeless Era includes the Tramping Years (1870–1920) and the age of “Hobohemia” (1920–80). “Hobohemia” was a term popularized by the sociologist Nels Anderson in his study of the hobo culture.
6 Arnold R. Hirsch, Making the Second Ghetto: Race and Housing in Chicago, 1940–1960 (Chicago: The University of Chicago Press, 1983).
7 Amanda Irene Seligman, “What Is the Second Ghetto?”, Journal of Urban History, 29, 3 (2003), 272–80, 274.
8 Seligman, 274. In a later work, Hirsch identifies a periodization between these two ghettos in three stages: 1880–1933, 1933–68, and 1968–present. See Arnold R. Hirsch, “With or without Jim Crow: Black Residential Segregation in the United States,” in Arnold R. Hirsch and Raymond A. Mohl, eds., Urban Policy in Twentieth-Century America (New Brunswick, NJ, 1993), 65–99, 65–6.
all subpopulations of the homeless. Taking a broader historical perspective, this article also examines the second and third ghettos in terms of postwar ghetto formation, racial subordination, and the neoliberalization of public assistance at the end of the twentieth century. Within this scope, the welfare hotel will be presented as a consequence of neoliberal policies and practices found at the nexus of the second and third ghettos. Drawing on the historical frameworks of the first, second, and third ghettos, this study focusses on family homelessness—particularly African American single female heads of household (FHHs) on AFDC benefits at the end of the twentieth century in Washington, DC. This subpopulation of the new homelessness era, unable to access public housing, was relegated to the waiting lists of a new homeless population and warehoused in welfare hotels of the third ghetto. Within the conceptual framework of the third ghetto as emergency shelter provisioning, welfare hotels will be analysed as the product of the neoliberalization of homeless assistance services for black single FHHs. These hotels, which were used as stopgap solutions to both the ongoing crisis in public housing and the growing crisis in family homelessness, will be examined as a component of the neoliberalization of the homeless-shelter industry.9

RETHINKING THE SECOND-GHETTO MODEL AND DISCOVERING THE THIRD

Black urbanists in the 1980s challenged Hirsch’s ghettoization framework, a charge led by Joe Trotter, whose development of a proletarianization thesis provided an alternative examination of black urban populations through the exploration of “community formation.”10 Trotter’s exploration of black Milwaukee diverged significantly from Hirsch’s “ghetto thesis,” and its notions of segregation and race relations, favouring the examination of black resilience in community building, notably through black labour.11 A growing number of scholars supported this shift to community formation and away from Hirsch’s thesis, such as Lawrence Levine, who, according to

9 Welfare hotels refer to “commercially owned single- or multistory hotels or motels providing shelter to a clientele composed exclusively or primarily of homeless families receiving some type of public assistance,” as defined in Linda G. Morra et al., “Welfare Hotels: Uses, Costs, and Alternatives: Briefing Report to the Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives,” U.S. General Accounting Office (1989), 2.
10 Thomas J. Sugrue, “Revisiting the Second Ghetto,” Journal of Urban History, 29, 3 (2003), 281–90; see also Rhonda Y. Williams, “Black Milwaukee, Women, and Gender,” Journal of Urban History, 33, 4 (2007), 551–56.
11 Joe W. Trotter, Black Milwaukee: The Making of an Industrial Proletariat, 1915–1945 (Urbana: University of Illinois Press, 2007).
Sugrue’s account, rejected the term “ghetto” as an invitation to perceive blacks “as passive victims” rather than “actors in their own right.” However, this analysis conceptualized the term as a stigmatizing label instead of analysing the notion of the ghetto as an oppressive urban space that did not systematically encourage victimization and discourage black agency.

The reexamination of this debate elicits an important question: can black agency and community formation be analysed within a ghettoization framework? This study posits that both historical frameworks have merit and offers an alternative to the choice of either the ghettoization theory or the community formation thesis, through the examination of black resilience and agency within the context of public-housing tenant advocacy in the second ghetto of Washington, DC during the 1970s and the 1980s. The District’s second ghetto will be examined as an oppressive urban space as opposed to a stigmatizing individual label. For example, the lack of affordable housing, inadequate housing maintenance, and insufficient financial housing assistance in public-housing projects of this second ghetto were the driving force behind local public-housing tenant activism. Kimi Gray, a black single mother of five and DC public-housing resident who became head of the National Capital Housing Authority advisory council in the early 1970s and then chair of the board of directors of the Kenilworth Parkside Management Corporation in 1982, confounded expectations about what a woman on welfare could do and contribute to her community. Her role in tenant advocacy through public-housing tenant management will be analysed within the context of the second ghetto, not as a victim but as an agent of resilience and exemplary indigenous leadership.

In terms of more current scholarship, Rhonda Williams has offered a poignant analysis of Hirsch’s second-ghetto thesis. She has asserted that “Hirsch convincingly argued that government not only extended spatial inequalities but also institutionalized and fortified systems of racial power through laws, policies, programs, and bureaucratic structures.” Williams’s essay accurately assessed the significance of Hirsch’s historical intervention. Her study also underscored the unevenness of his analysis, which disproportionately focusses on white historical narratives and white power dynamics, while relegating black residents of the second ghetto to the periphery of muted, cameo appearances that sparsely fill spaces created by white men. However, this article posits that, despite its deficiencies, Hirsch’s ghetto formation model remains a viable historical framework that can and should be reappropriated by current

12 Sugrue, 283.
13 Rhonda Y. Williams, “Places Created and Peopled: ‘Black Women: Where They Be … Suffering?’,” Journal of Urban History, 46, 3 (2020), 478–89.
14 Ibid., 479.
sponsibility to fill its “created spaces” with the experiences of the black bodies that lived within them. These spaces are not limited to Hirsch’s geographical or temporal specifications, but can be applied to other public-housing outcomes, such as Washingtonian housing projects in the late twentieth century. Additionally, the space created by Hirsch’s second-ghetto thesis can not only be “peopled” with black bodies but also used as a tool, not to stigmatize its residents, but to condemn the injustices of segregation, “racial capitalism,” racial subjugation, negligence, and mismanagement perpetrated within its borders. In short, the narrative of the second ghetto can be retold from the perspective of communities fighting against these nefarious forces in a place of empowerment. Finally, Hirsch’s second-ghetto thesis can be the foundation for the conceptualization of a third ghetto.

The making of the third ghetto in Washington, DC distinguishes itself from Hirsch’s first and second through the examination of the hyperghettotization of African American poor neighbourhoods generated from the concentration of increasingly persistent pockets of poverty, structural challenges due to racial subordination, and the politicization of the homeless crisis which forged local and federal homeless policies. In other words, the primary forces driving Washington, DC’s third ghetto were structural, spatial, and political. Tragically, by the end of the twentieth century, this new form of street homelessness had become a national crisis.

From New York City to San Francisco, street people could be seen roaming city public spaces in the late 1970s. The consensus among homeless researchers supports the advent of a major shift between the old and new homelessness in the 1960s and the characteristics of these distinct populations. The “old-homeless” population of the 1950s was characterized as white males in their fifties or older, “living in cheap hotels on skid rows.” In the late 1970s, a population of homeless people referred to in the now ubiquitous parlance of poverty scholarship as the “new” homeless were reportedly cited in cities across America. They were “younger, better educated, increasingly women and families, veterans, and

\[15\] Ibid.
\[16\] Ibid.
\[17\] Peter H. Rossi, “The Old Homeless and the New Homelessness in Historical Perspective,” *American Psychologist*, 45, 8 (1990), 954–59, 954; Kenneth L. Kusmer, *Down and Out on the Road: The Homeless in American History* (Oxford: Oxford University Press, 2002), 241.
\[18\] See also Kusmer, 239–47; Teresa Gowan, *Hobos, Hustlers, and Backsliders: Homeless in San Francisco* (Minneapolis: University of Minnesota Press, 2010), 3–26; Jennifer Wolch and Michael Dear, *Malign Neglect: Homelessness in an American City* (San Francisco: Jossey-Bass Publishers, 1993); Ariel Eisenberg, “A Shelter Can Tip the Scales Sometimes: Disinvestment, Gentrification, and the Neighborhood Politics of Homelessness in 1980s New York City,” *Journal of Urban History*, 43, 6 (2017), 915–31; and Daniel R. Kerr, *Derelict Paradise: Homelessness and Urban Development in Cleveland, Ohio* (Amherst and Boston: University of Massachusetts Press, 2011), 200–43.
consisting of greater racial minorities than in the past.” Kim Hopper dispelled the notion that this visible homelessness was somehow an extraordinary historical phenomenon: “Appearances may have suggested otherwise, but what the country glimpsed on the streets and in the shelters in the 1980s was not some new species of disorder, but the usually hidden face of poverty, ripped from its customary habitat.”

Although African Americans have always “moved through history” having endured some form of homelessness, precious little has been written about these experiences. This paper challenges the historical typifications of homelessness through analysis of the implications of race and inner-city hyperghettoization of African Americans at the end of the twentieth century in Washington, DC. Current data concerning urban housing precarity of late twentieth and the twenty-first centuries are increasingly drawing the connection between race and homelessness. Urban-poverty scholar Forrest Stuart posited a correlation between the disproportionately high African American street homeless population of Los Angeles’s skid row to the long-term consequences of racial subordination which has relegated poor blacks to a surplus army of labour. In terms of housing outcomes, this conceptualization of racial inequality as developed by Roy Brooks argues that due to the “continuing effects of earlier racial subordination,” African Americans exited the Jim Crow era “with a poverty rate for individual and intact families more than three times that of whites,” were “twice as likely as whites to live in rental housing,” and “endure overcrowding in urban housing.”

19 Lois M. Takahashi, “A Decade of Understanding Homelessness in the USA: From Characterization to Representation,” Progress in Human Geography, 20, 3 (1996), 291–310, 292. Charles Hoch and Robert A. Slayton, New Homeless and Old Community and the Skid Row Hotel (Philadelphia: Temple University Press, 1989); Jonathan Kozol, Rachel and Her Children: Homeless Families in America (New York: Crown, 1988); Peter H. Rossi, Down and Out in America: The Origins of Homelessness (Chicago: The University of Chicago Press, 1989).

20 Kim Hopper, Reckoning with Homelessness (Ithaca, NY: Cornell University Press, 2014), 176.

21 Roberta Ann Johnson, “African Americans and Homelessness: Moving through History,” Journal of Black Studies, 40, 4 (March 2010), 583–605.

22 Loïc J. D. Wacquant and William Julius Wilson, “The Cost of Racial and Class Exclusion in the Inner City,” Ghetto Underclass: Social Science Perspectives, 501 (Jan. 1989), 25–42, 26.

23 Joy Moses, “New Data on Race, Ethnicity and Homelessness,” National Alliance to End Homelessness, 2 Aug. 2019; Jeff Olivet and Regina Cannon, “Responding to Homelessness: Integrating Racial Equity,” Changing the Conversation, 1 Feb. 2019, at https://thinkt3.libsyn.com/size/?search=racial+equity.

24 Forrest Stuart, “Race, Space, and the Regulation of Surplus Labor: Policing African Americans in Los Angeles’s Skid Row,” Souls: A Critical Journal of Black Politics, Culture, and Society, 13, 2 (2011), 197–212.

25 Roy L. Brooks, Rethinking the American Race Problem (Berkeley: University of California Press, 1992), 117–18.
the author of the definitive opus on twentieth-century homelessness, asked, “Why were racial minorities overrepresented among the homeless?”

Beyond the usual litany of causes such as “structural changes in the economy, tightening housing market, the recessionary periods, and stagnating or declining industries,” African American homelessness as well as low-income housing insecurity in America’s postwar inner cities invariably led to the challenges of its ghettos.

REVISITING “OLD HOMELESSNESS” IN THE FIRST GHETTO: A HIDDEN CITY

Behind the residences which lined the streets of the District at the end of the nineteenth century as symbols of comfort, respectability, and the beauty of the nation’s capital, there was another city, a hidden city, a secret city of the alley dwellers. Although these alley dwellers did not suffer from the transient lifestyle of white, middle-aged homeless men (hobos) traditionally studied in the literature on the “old” homelessness, the level of housing insecurity, deplorable levels of sanitation, and health conditions they endured merit their consideration as a part of homeless historiography and as the city’s first ghetto.

Washington, DC was a pedestrian city. Therefore middle-class landowners built small structures with alley access in the vacant rear lots of “the street houses” for unskilled working-class communities, enabling them to be in proximity to their work. Although specific alleys contained an array of migrant populations, notably German and Italian, the second half of the nineteenth century saw extensive growth in its black residential population, where they counted for no less than one-third of the city’s inhabitants.

James Borchert, who penned the definitive treatise on American alley dwelling, notes that “by 1897, nearly 70 percent of all inhabited alleys were completely segregated,” and “of the 19,000 reported alley dwellers, 90 percent were African American.” Borchert argues that although by the last quarter of the nineteenth century Washington, DC “led major American cities in both the percentage and the numerical size of its black population,” before the Great Migration (1915–70) “no city … had a single concentration that encompassed most of the city’s blacks” and “Washington’s ‘mini-ghettos’

Kusmer, 241.

Ibid.

See note 5 on the Old Homeless Era.

Paul A. Groves, “The Development of a Black Residential Community in Southwest Washington: 1860–1897,” Records of the Columbia Historical Society, Washington, DC, 49 (1973), 260–75, 260, 262.

James Borchert, Alley Life in Washington: Family, Community, Religion, and Folklife in the City, 1850–1970 (Urbana: University of Illinois Press, 1982), 106, 219.
were spread throughout the city.” Borchert also remarks that concurrent with the Great Migration of African Americans was the intensification of white hostility towards them. However, the importance of attitudes towards the alley dwellers before the Great Migration had a significant impact on slum clearance policy and the creation of private-sector housing for the poor.

Poverty research has not sufficiently acknowledged the importance of the nineteenth-century philanthropic housing movement on slum clearance policy and housing construction at the beginning of the twentieth century. By the late nineteenth century, poverty, crime, and disease had created an indelible image of the poor, and public policies of the time did nothing to stave off the increasing concentrations of poverty in the slums of the inner city. However, private organizations such as the Philanthropic Housing Movement of Washington, DC filled the void. Their primary objective was the eradication of the alleys whose inhabitants they viewed as shameful, immoral, and dangerous breeders of disease—the undeserving poor. As Michael B. Katz noted, “housing reformers of the nineteenth and early twentieth centuries argued that the unsanitary, congested housing of the poor bred immorality, crime, and disease. Slums, they contended, were viruses infecting the moral and physical health of the city districts that surrounded them.”

Conversely, in Washington, DC, philanthropic organizations such as the Washington Sanitary Improvement Company and the Washington Sanitary Housing Company provided a thousand units of low-cost basic housing for “deserving” low-income citizens. Elizabeth Hannold argues that the significance of the movement lay in its ability to “to change public attitudes toward the poor, suggesting that they were not always at fault for their poverty and that at least the more industrious of them were deserving of decent housing.” In fact, philanthropic housers were able to shape the narrative about poverty by informing the public of the hazards of crowding and disease, and the ravages of free-market solutions. Thus “they helped prepare the way for government interventions including slum clearance and public housing.”

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51 Ibid., 2. By 1880 more than fifty thousand blacks lived in Washington, DC. This level of black population concentration was reached by other northern cities such as New York, Philadelphia, and Chicago only during the early twentieth century. See also Groves, 262; and Kenneth L. Kusmer, “African Americans in the City since World War II,” *Journal of Urban History*, 21, 4 (1995), 458–504, 461–62.

52 Michael B. Katz, *The “Underclass” Debate: Views from History* (Princeton, NJ: Princeton University Press, 1993), 9. See Figure 1 below.

53 Elizabeth Hannold, “Comfort and Respectability: Washington’s Philanthropic Housing Movement,” *Historical Society of Washington, DC*, 4, 2 (1992–93), 20–39, 39.

54 Ibid., 39.

55 Ibid.
As black migratory influx began shaping post-World War I northern cities, and either creating or expanding the ghettos in cities such as Cincinnati, Philadelphia, and Cleveland, the predominantly white residual workforce continued to join the ranks of “hobohemia,” filling the skid rows of America’s cities in the twentieth century.36 However, in Washington, DC, under pressure from concerned reformers and two First Ladies concerned with “the character of the people,” alley communities, alley life, and the strong kinships of family and social networks built there were systematically dismantled.37 Another important contributing factor to alley destruction was the expansion of the automobile industry, which facilitated commuting capabilities for city center employees to live at increasingly further distances from the District’s urban core. Additionally, the transformation of land use capabilities to meet the needs of increased business activity also played an important role.38 By the 1930s, housing reformers such as John Ihlder, while recognizing “the potential problems associated with displacing the city’s poorest black residents from their alley homes,” could not ignore that “the concentration of blacks at the city core was encroaching on nearby white neighborhoods.”39 The solution to this conundrum came through the passage of the Alley Dwelling Act of 1934, which created the Alley Dwelling Authority (ADA), the District’s first local housing authority. “In the interest of community welfare,” the ADA was invested with such authority as the condemnation of whole blocks of housing and conversion of residences to businesses or community centers. As for the alleys, the ADA set a goal of vacating alley dwellings of all its inhabitants and displacing them in alternative housing by 1 July 1944— an objective stalled by the priorities of World War II and a housing shortage in the District.40

Hirsch demonstrates how black postwar northern migration not only fed the first and second ghettos of urban racial concentrations but also generated racial conflict, as a vast majority of blacks moved into racially segregated housing, incurring white backlash if they tried to move out of it.41 By 1954 in the District, even as the city implemented a large-scale urban renewal project which displaced approximately 23,000 African Americans from the southwestern quadrant, citizen groups committed to the restoration

36 Todd DePastino, Citizen Hobo: How a Century of Homelessness Shaped America (Chicago: The University of Chicago Press, 2005), 227.
37 Ibid., 61; Borchert, 52–53; Howard Gillette Jr., Between Justice and Beauty: Race, Planning, and the Failure of Urban Policy in Washington, D.C. (Baltimore: Johns Hopkins University Press, 1995), 140. The two First Ladies are Ellen Wilson and Eleanor Roosevelt.
38 Gillette, 136. 39 Ibid., 139.
40 Ibid., 139; Borchert, 52.
41 Hirsch, "With or without Jim Crow," 1–39. Kusmer, "African Americans in the City," 461; see also Douglas S. Massey and Nancy A. Denton, American Apartheid: Segregation and the Making of the Underclass (Cambridge, MA: Harvard University Press, 1993).
movement successfully orchestrated the repeal of the ban on alley dwellings. Consequently, by 1970 the occupants of the remaining inhabited alley dwellings primarily constituted professionals as opposed to the vast majority of African American unskilled workers who had begun to fill the alleys following the Civil War. By the end of the decade, these former “mini ghettos” of the city’s first ghetto would become the “expensive and highly sought-after residences of affluent Washingtonians.” Lower-income families and the working poor of the first ghetto were gradually absorbed into increasingly smaller pockets of poverty in segregated black enclaves around the city or gained access to the public-housing system—the District’s second ghetto.

THE SECOND GHETTO IN WASHINGTON, DC

Passage of the Housing Act of 1937 (the Wagner-Steagall Act) provided federal subsidies to local governments for the creation of public-housing agencies (PHAs) responsible for housing solutions for low-income families. On a national level, the Housing Acts of 1937 and 1949 placed a spending cap on construction costs per unit and limited the “use of quality materials despite the inclusion of modern appliances, and restricted the use of annual federal disbursements to only cover the difference between operations needs and rent revenue.” These policies contributed to the general erosion of public-housing stock over time.

Locally, federal policies had two significant outcomes in the District of Columbia. The first was the provision of funding for slum clearance and urban renewal projects which eliminated allegedly “evil, crime-ridden, and diseased,” predominantly black, alley dwellings of the first ghetto. African American lower-income families and the working poor of the first ghetto were gradually absorbed into increasingly smaller pockets of poverty in segregated black enclaves around the city, or gained access to the public-housing system. The District’s first public-housing units were built in the early 1940s as segregated low-income housing. Whereas the postwar economic

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42 Borchert, 55.
43 Housing Act of 1937, also known as the Wagner-Steagall Act. Pub. L. 75-412 Stat. 888, enacted 1 Sept. 1937.
44 Nena Perry-Brown, “How Public Housing Was Destined to Fail,” Housing, 23 June 2020, at https://ggwash.org/view/78164/how-public-housing-was-destined-to-fail.
45 The alley dwellings are designated the first ghetto by the author. For more on the alley see also Borchert. According to Borchert, 106, 219, by 1897 blacks comprised nearly 90 per cent of all the inhabited alleys, 70 per cent of which were segregated.
46 Sherri Lawson Clark, “Separate and Unequal: Housing Policy in Action on the Periphery of Our Nation’s Capital,” in Marilyn M. Tomas-Houston and Mark Schuller, eds., Homing Devices: The Poor as Targets of Public Housing Policy and Practice (Lanham, MD:
boom and advantageous lending policies afforded whites more housing opportunities to move outside these developments, poor and working-class blacks remained concentrated in the increasingly dilapidated, unsanitary units of DC public housing. Housing shortages in these units were exacerbated by a shrinking housing market due to slum clearance policies that did not provide in-kind housing replacement. This shortage was so pervasive that by 1947 there were already waiting lists for 18,000 units.\(^\text{47}\) Prolonged racially segregated residential patterns were the outcome of “citizen efforts to clear the alleys, to develop public housing, to regulate housing, to renew neighborhoods without displacement and to play a significant role in the planning process.”\(^\text{48}\)

The National Capital Housing Authority (NCHA), which managed the District’s public-housing properties in the 1950s, not only saw its housing costs increased dramatically but also “operating costs began to exceed rental income and conditions deteriorated rapidly.”\(^\text{49}\) By the mid-1960s, proposed rent increases to offset rental costs and deteriorating conditions in public-housing provision, coupled with an ongoing nationwide tenancy movement, inspired the local struggle for control over public-housing maintenance and self-management. In Washington, DC, public-housing residents organized a rent strike which lasted from 1968 to 1971. Agreements between tenants and management resulted in the adoption of new lease and grievance procedures and the establishment of the National Capital Housing Advisory Board (NCHA). This newly created entity comprised elected members from each public tenant council and ten at-large appointees. Kimi Gray, a grassroots activist, single mother of five, public-housing resident and community leader, asserted that one of the major achievements of the strike was that it forced the administrative staff of the NCHA to create a working relationship with public-housing residents, which in turn commanded respect for this citywide board. Although many public-housing rent strikers eventually negotiated their rent payments and successfully avoided eviction, two of the unintended consequences of generating rent arrears from the strike was the unresolved issue of property maintenance, which in turn exacerbated the deterioration of the District’s public-housing units.\(^\text{50}\) In light of these issues, the prospect of self-management was gaining momentum.

\(^\text{Lexington Books, 2006, 59–80, 61. The Carrollsburgh Dwellings were built for} \)\(^\text{The Carrollsburg Dwellings were built for} \)\(^\text{Steven J. Diner, “Renewal versus Rehabilitation: The Urban Renewal Controversy 1945–} \)\(^\text{Renewal versus Rehabilitation: The Urban Renewal Controversy 1945–} \)\(^\text{in Steven J. Diner et al., Housing Washington’s People: Public Policy in Retrospect} \)\(^\text{in Steven J. Diner et al., Housing Washington’s People: Public Policy in Retrospect} \)\(^\text{Washington, DC: History and Public Policy Project Dept. of Urban Studies, College of} \)\(^\text{Washington, DC: History and Public Policy Project Dept. of Urban Studies, College of} \)\(^\text{Nicole M. Gipson} \)
In Washington, DC, Gray became chair of the NCHA advisory council in 1976. Under her leadership, the board expanded its membership and held meetings at the property level to increase resident participation. She also implemented a self-help strategy which allowed for housing residents to have more control “in monitoring maintenance work, selecting materials and participating in architectural design decisions.” While Gray was settling into her leadership role in public-housing advocacy, Fort Dupont Housing Unit in Washington, DC was experiencing a four-year delay in accessing earmarked funding for residential renovation. This delay led to the demolition of 112 public-housing units. The partial destruction of Fort Dupont was an avoidable situation which encouraged some residents to move out and forced the remaining residents to live under the threat of eviction with no commitment to the repair of the existing units. This common practice, known as willful neglect of housing maintenance, was brought to public attention when its residents filed a lawsuit in 1977 (Edwards v. District of Columbia).

In contrast, Gray’s self-management philosophy proved to be an efficacious long-term plan for public-housing residents which she applied to her own housing project at Kenilworth Courts, a 464-unit project located in the northwest corner of Ward 7 in Washington, DC. Built in 1959, Kenilworth was overcrowded; had eroded floors, rotting pipes, and a leaky roof; and the buildings on the property were in a generally dilapidated state by the 1970s. However, with the aid of staff comprising the development’s residents, they created a Property Management Administration (PMA) that efficiently collected rents and determined resident selection criteria and other necessary policies that turned the property around.

What power did the residents of Kenilworth Parkside public-housing project have and how did they wield it? In reference to power, Gray’s grandmother once told her, “If you are seeking power, you don’t receive power as a gift you take power. Respect you earn but power you take.” Gray’s emergence as a community leader came from an intuitive understanding that although the residents of her housing project did not have an abundance of economic capital, they did have political capital. They had the power to organize, strategize, and mobilize as tenant activists and as a constituency. Gray explained the beginnings of the tenancy movement at Kenilworth Court:

Seizing power was gradual. Maintenance was not being delivered as it should be so we began training for resident management in 1977. We knew that we had to manage our own housing complex. Real resident management and ownership began to be the new

51 Ibid., 109.  
52 Ibid.  
53 Susan Swain, “Interview with Kimi Gray,” transcript3, in “Life and Career of Kimi Gray3,” CSPAN, 11 Jan. 1990.
goal in Kenilworth. First, it was organizing [and] working with management, trying to get services. It was clear at that point on that we had to do it ourselves and that was when we were told by the District government by our mayor [Walter Washington] at that time, that would not take place. So we knew then that we had to be really serious about our votes … We took our votes to the polls for Marion Barry in 1979 and made him our mayor.\textsuperscript{34}

Once Marion Barry became mayor he asked Gray what she wanted for her community. She responded, “The right to determine our own destiny.”\textsuperscript{35} She counted on Mayor Barry to use his political influence to help the residents of Kenilworth Court to become a part of the solution to their residential problems. The mayor would eventually make good on his promises, by appointing her to the District’s public-housing residents’ advisory group.\textsuperscript{36}

In 1982, the 464-unit in Kenilworth Court became Kenilworth Parkside Management Corporation—a resident management enterprise heralded as a model for other housing projects.\textsuperscript{37} Gray believed “that everyday occurrences such as broken windows and toilets [were] matters that residents should be more responsible for while the corporation should concern itself with long-term goals like improved daycare facilities, business cooperatives and the eventual purchase of the property.”\textsuperscript{38} The self-management strategies that she implemented led to “declining crime rates, vacancies, and dependency.”\textsuperscript{39} However, her metamorphosis from welfare mother to the chair of a multimillion-dollar management corporation was an exceptional one, as no other housing project in the city benefited from their own housing project incorporation and $13.5 million in federal rehabilitation funds.\textsuperscript{40} Dilapidated housing projects such as the Ellen Wilson Dwellings, which fell into disrepair and eventually were abandoned in the late 1980s, forced its former residents onto ever-expanding public-housing waiting lists. AFDC recipients, who were disproportionately represented by high levels of African American single FHHs in the District, were left with little or no alternatives to housing solutions. Many were relegated to the city’s welfare hotels.\textsuperscript{41}

\textsuperscript{34} Ibid. Walter Washington was Washington, DC’s first black mayor (1975–79).
\textsuperscript{35} Ibid.
\textsuperscript{36} Louie Estrada, “Public Housing Advocate Kimi Gray Dies,” \textit{Washington Post}, 4 March 2000, B7. She was appointed in the mid-1980s.
\textsuperscript{37} Courtland Milloy, “Kenilworth Lights a Path,” \textit{Washington Post}, 12 Sept. 1985, D.C.1. Kimi Gray died on 1 March 2000 of heart disease.
\textsuperscript{38} Courtland Milloy, “Managing on Faith,” \textit{Washington Post}, 1 June 1986, B3.
\textsuperscript{39} Louie Estrada, “Public Housing Advocate Dies,” \textit{Washington Post}, 4 March 2000, B7.
\textsuperscript{40} Milloy, “Managing on Faith.”
\textsuperscript{41} The Ellen Wilson Dwellings were abandoned in 1988. They were renovated and rehoused in 1999 as a mixed-income development named Town Homes on Capitol Hill (TOCH). See also Lawson Clark, “Separate and Unequal,” 62–64.
While indigenous leaders like Kimi Gray were helping to reset the narrative on what public-housing residents were capable of achieving, Washington, DC’s urban landscape was changing in other ways. In a *LIFE* magazine special issue, *The Dream Then and Now*, Prof William Julius Wilson best described the change through an analysis of the state of single FHHs:

In the 10 largest cities in the U.S., the number of blacks in extreme poverty areas increased by 104 percent between 1970 to 1980 … Certainly, the level of benefits should be addressed. No other group in society has experienced such a sharp drop in the standard of living as have welfare mothers.⁶²

Between 1970 and 1990 pockets of poverty developed particularly in Wards 2, 6, 7, and 8 (See Figure 1). Figure 2 shows the most concentrated areas.⁶³ Professor Wilson goes on,

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⁶² William J. Wilson et al., “Barriers,” *Life* magazine special issue, Spring 1988, 42.
⁶³ Carol J. De Vita, Carlos A. Manjarrez, and Eric Twombly, “Poverty in the District of Columbia – Then and Now,” reprint, The Urban Institute, Washington, DC, Feb. 2000, 16.
Between 1970 and 1990, Poverty Became More Concentrated in More Parts of the District

Figure 2. Concentrated pockets of poverty. From Carol J. De Vita, Carlos A. Manjarrez, and Eric Twombly, “Poverty in the District of Columbia—Then and Now,” the Urban Institute, Washington, DC, February 2000, 16. Reprinted with permission from the Urban Institute.
By 1984 the inflation-adjusted dollar value of welfare (the combined package of Aid to Families with Dependent Children and food stamps) was 22 percent less than it was in 1972. It’s no wonder that there has been an increasing number of homeless black ... women. And they are taking their families with them.64

During the 1980s, public services and public housing in the second ghetto continued to deteriorate through the neoliberal practices and policies which privatized, marketized, and deregulated social services, and cut funding to welfare programs. In this neoliberal city, systemic issues such as inadequate public-assistance benefits, loss of employment, the high cost of living, and the lack of affordable housing led to eviction, an insufficient amount of public-housing units, and the long waiting lists which left many AFDC recipients with no recourse but to enter the third ghetto of the emergency shelter system.

NEW HOMELESSNESS IN WASHINGTON, DC: IN SEARCH OF A LOCAL SOLUTION TO A VISIBLE PROBLEM

As a separate and distinct space with more extreme levels of poverty and marginalization than the second ghetto, the third ghetto did not enjoy the fruits of New Deal entitlement programmes. In fact, the existence of its various subpopulations in the early years of the New Homeless Era was often ignored or denied. Manifestations of a visible “new homelessness” continued to emerge throughout the 1980s in a population of the extreme poor who were becoming younger, more gendered, and racially segregated in urban America. They were some of the faces of “long-standing gender and racial inequities in the postwar economy and the welfare state.”65

Privatization, marketization, funding cuts, and the deregulation of social services had severe consequences on social-service provision and housing outcomes for the District’s low-income residents. In this neoliberal city, systemic issues such as inadequate public-assistance benefits, loss of employment, the high cost of living, and the lack of affordable housing led to eviction, an insufficient number of public-housing units, and long waiting lists, which left many AFDC recipients with no recourse but to enter the third ghetto of the

64 Wilson et. al., 42.
65 Alice O’Connor, Poverty Knowledge: Social Science, Social Policy, and the Poor in Twentieth-Century U.S. History (Princeton, NJ: Princeton University Press, 2001), 243; Charles H. Moore, David W. Sink, and Patricia Hoban-Moore. “The Politics of Homelessness,” PS: Political Science and Politics, 21, 1 (1988), 57–63; Michael B. Katz, The Undeserving Poor: From the War on Poverty to the War on Welfare (New York: Pantheon Book, 1989).
emergency shelter system. In the 1980s, as the crisis in the District was gradually recognized, homeless-shelter provision went from an exclusively informal network of nonprofit, faith-based, and activist providers to the addition of city-run shelter provision and the extended use of welfare hotels for AFDC recipients.

The central struggles for the activists and service providers working on the front lines in the first decade of the homeless crisis were initially to fight for recognition that the crisis actually existed and subsequently to obtain aid to expand its services locally and then nationally. The successes and failures of the central figures in this struggle – Mitch Snyder and CCNV – are well documented. By 1984, the homeless crisis had consolidated on a national level and left an indelible mark on America’s urban landscapes. However, locally the need for access to public funding by privately run entities such as welfare hotels would play a vital role in the exertion of what Hirsch describes as “positive power” in the Making the Second Ghetto, in which “public benefits were by-products of a desperate struggle for individual survival and never the primary force.” This study argues that an essential driver of third-ghetto formation in Washington, DC was the scramble for stopgap solutions to the visible street homelessness crisis which was viewed by policymakers not as a human rights problem but as a political problem. Homelessness had also become a national crisis that was framed as an individual problem, reflected in the public statements of a President in denial:

What we have found in this country, and maybe we’re more aware of it now is one problem that we’ve had, even in the best of times, and this is the people who are sleeping on the grates, the homeless who are homeless, you might say, by choice.

On 31 January 1984, responding to an interview question on ABC’s Good Morning America, President Reagan made this infamous statement earning him a reputation as tone-deaf on matters concerning the poor. At a convention later that day, Reagan painted his detractors as “anti-business, anti-success,” and decried “their distasteful attitude toward the profit motive.” As for the poor, they were simply out of place. The deinstitutionalized mentally ill, the allegedly wilful homeless, or the fraudulent “welfare queen” did not fit into the neoconservative framework of family values upon which Reagan had built his political career. However, the public outrage as a result of this callous statement demonstrated that his view of street people was

66 Press releases, Miscellaneous topics, 1978–89, MS2153, Series 9, Box 24, Folder 12, Carol Fennelly Papers, Special Collections Research Center, George Washington University.
67 Hirsch, “With or without Jim Crow,” 123.
68 Juan Williams, “Homeless Choose to Be, Reagan Says: President Says Some People Are Homeless by Own Choice,” Washington Post, 1 Feb. 1984, A1.
69 Ibid.
out of step with public opinion. The general public had become more informed about the realities of street life and had become more sympathetic to the notion of homeless assistance.

Among the many pundits critical of the President’s position, William Raspberry, a columnist for the *Washington Post*, weighed in on the homeless crisis, by addressing a positive shift in public opinion both nationally and locally. Raspberry’s article “Homeless by Choice?” mirrored the more sympathetic nation America had become. He addressed the plight of the homeless in Washington, DC, making a plea for more beds and better services than the mere two thousand beds in the wretched city-run facilities and alternative shelters run by “groups like CCNV.”

Indeed, in the District of Columbia, CCNV continued to lead the way in getting the homeless off the streets and into shelters. One of their most important victories was the passage of the District of Columbia Right to Overnight Shelter Initiative of 1984 (Initiative 17).

In the wake of the 1981–82 recession, there was a strong momentum to aid the fast-growing homeless population and to improve and expand the quality of homeless assistance provision in Washington, DC, which left one lingering question: at what cost? This conundrum led to multi-vocal debate between proponents of the “right to adequate overnight shelter,” and opponents such as Mayor Marion Barry. These detractors were against simply “warehousing” the homeless and dealing with the unmanageable fiscal burden the bill created and the city’s budgetary constraints it ignored. The weeks leading up to the vote were fraught with legal battles to get the initiative on the ballot, and a highly publicized debate over its merits. In the 14 October editorial page of the *Washington Post*, arguments for and against the initiative were presented. Marie Nahikian, on the board of directors of the Coalition for the Homeless, a local advocacy network of shelter providers, churches, local organizations, and concerned citizens, was against Initiative 17. Snyder, who by then had become a leading voice in homeless advocacy, argued in favour of it.

Nahikian believed that the initiative was brought to the ballot by a small group of activists at the expense of ill-informed residents, who would have to foot the bill for an estimated $20 million in operating costs. A plebiscite for “shelter on demand” would lead to public policy that “warehoused” the homeless. Conversely, voting against it would permit the city to deliver adequate “comprehensive support services” and overnight shelter within the city’s budget. For Nahikian, the absence of essential wraparound services simply opened a revolving door that ensnared the homeless in an endless

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70 William Raspberry, “Homeless by Choice,” *Washington Post*, 3 Feb. 1984, A19.
71 “Close To Home: Yes/No,” *Washington Post*, 14 Oct. 1984, D8.
poverty trap of dependency. She argued that the estimated 70 percent of the mentally ill homeless population required specialized services, not just shelter. She added that automatic overnight shelter services should be used only in emergencies and as a quick fix to a particular crisis such as extreme temperatures. Additionally, relying on Initiative 17 as a long-term remedy would only relieve the federal government from sharing the financial burden. Finally, she called for a more exhaustive approach to homelessness by creating partnerships with “business, labor, religious and government leaders, and individual residents.”

Snyder’s argument supported his conviction that Initiative 17 should be decided by vote and that its passage would not absolve the federal government of its responsibility for helping the homeless. He did not deny that “warehousing” was a potential problem. However, he argued that psychiatric care, medical assistance, and employment and housing services were secondary to the provision of emergency shelter. He also cited the example of New York City, which had passed legislation for the legal right to shelter four years prior without experiencing the frenzy of fraudulent behaviour towards the city’s shelter services. As for the cost, he found the $20 million figure which the city estimated for the initiative implausible, as the actual number of homeless was difficult to ascertain. Snyder claimed that the total cost would not exceed what taxpayers were already paying for the “overinstitutionalization” of the homeless. He concluded his argument by framing the passage of the bill as a moral imperative: “Even if passage of Initiative 17 were to cost millions of dollars a year, it wouldn’t really matter. What matters most is that it is the just and necessary thing to do.”

In the 1 November issue of the Washington Post, advocates published a testimonial showcasing pro-initiative arguments and listing the many individuals and organizations that endorsed the bill. Other effective strategies that proponents had in their arsenal were effective ground-level organization; broad electoral mobilization across the city’s wards, including obtaining the right to vote for the homeless; and a successful information campaign. On 6 November 1984, these strategies paid off as the DC Right to Overnight Shelter Initiative passed with a supermajority of 72 per cent. However, one of the

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72 Marie S. Nahikian, “Close to Home: No,” Washington Post, 14 Oct. 1984, D8.
73 Callahan v. Carey was filed by Robert Hayes in 1979 in New York City (consent decree in 1981). Callahan v. Carey, No. 79-42582 (Sup. Ct. N.Y. County, Cot. 18, 1979).
74 Mitch Snyder, “Close to Home: Yes,” Washington Post, 14 Oct. 1984, D8.
75 “Vote for Initiative 17 Shelter the Homeless” Washington Post, 1 Nov. 1984; Bogard, Seasons Such As These, 126–36. See also Voting Rights, 1984, MS2018, Series 2, Box 6, Folder 9, Mitch Snyder Papers, Special Collections Research Center, George Washington University.
76 “D.C. Backs Homeless Shelter; Hundreds of Issues on Ballots,” Baltimore Sun, 7 Nov. 1984.
unintended consequences of the initiative was a dramatic increase in the use of welfare hotels as the District became legally obligated to guarantee to the District’s homeless persons “safe, sanitary, and accessible shelter space, offered in an atmosphere of reasonable dignity.”

WELFARE HOTELS OF THE THIRD GHETTO

Previous studies of the third ghetto have not dealt with the connection between a spatially separate and distinct third ghetto and homelessness in inner cities. Joseph Seliga’s work predicates the existence of a third ghetto on the legacy of urban racial segregation while remaining within the confines of public-housing spaces.

Although David Wilson acknowledges how Reagan’s rhetoric and policies damaged black ghettos in the 1980s and “reduced resource flow resulting in increased poverty [and] homelessness,” his particular focus on the rust belt in “the post-neoliberal ascendancy” of the 1990s does not identify the emergency shelter system itself as the third ghetto in inner cities but rather focusses on a new form of “post-war third-wave of black ghetto marginalization” more broadly.

This study argues that in terms of inner-city housing precarity during the late 1970s and the 1980s, race, homelessness, and the third ghetto are most profitably examined together within the broader context of the neoliberal policies and practices which generate social inequality.

How do issues of housing precarity fit it into the larger framework of the neoliberal city? Brenner and Theodore posit the existence of dialectical opposition between the creative and destructive forces of neoliberalism.

Hackworth notes that “neoliberal destruction consists of removal of

77 Morra et al., “Welfare Hotels,” 18; Sandra G Boodman, “Voters Approve Homeless’ Right to Shelter,” Washington Post, 7 Nov. 1984; Michael I. Greenberger, Elizabeth M. Brown, and Anne R. Bowden, eds., “Comments on the HUD D. C. Initiative Implementation Plan: ‘Working Together to Solve Homelessness’,” rep. “Cold Harsh, and Unending Resistance: The District of Columbia Government’s Hidden War against Its Poor and Its Homeless,” Washington Legal Clinic for the Homeless, 22 Nov. 1993, 45–56, 45–46. See also D.C. Right to Overnight Shelter Act, Law 5-146 (1984). Initiative 17 was nullified in 1990.

78 Joseph Seliga, “Gautreaux a Generation Later: Remediing the Second Ghetto or Creating the Third?”, Northwestern University Law Review, 94, 3 (Spring 2000), 1049–98. See also Preston Smith, Larry Bennett, et al., “Making the Third Ghetto,” Journal of Race, Ethnicity and the City, 2, 1 (Feb. 2021), 93–111.

79 David Wilson, Cities and Race: America’s New Black Ghetto (London: Routledge, 2007), vii, 30–33; see also the term “hyperghetto” in Loïc J. D. Wacquant, Urban Outcasts: A Comparative Sociology of Advanced Marginality (Cambridge: Polity Press, 2008).

80 Neil Brenner and Nik Theodore, “Cities and the Geographies of ‘Actually Existing Neoliberalism’,” Antipode, 34 (2002), 349–79.
Keynesian artifacts [such as] public housing, public space, redistributive welfare policy, and institutions such as the Department of Housing and Urban Development.” Conversely, neoliberal creation involves either the formation of new institutions or the cooptation of old ones for future employment in neoliberal projects, such as welfare requirements in welfare reform and public–private partnerships. Another significant feature of neoliberal development is its division into what Peck and Tickell identify as the “rollback and rollout phases.” In this evolutionary process, Keynesian policies and artefacts are disintegrated and replaced by “more proactively neoliberal practices and ideas.” Nation-state power over public institutions, which serve as “a buffer between the localities and the machinations of a global economy,” is hollowed out. Hackworth argues that due to “the reduction of national interventions in housing, local infrastructure, welfare and the like, localities are forced to finance such areas themselves or to abandon them entirely.” In the 1980s, many homeless families receiving AFDC benefits found themselves entrenched in this “abandoned city,” where local government turned increasingly to the for-profit homeless business to create “temporary” shelter for these homeless families in inner-city welfare hotels. Mayor Marion Barry played an integral role in perpetuating these welfare hotels in the District.

As a city whose local-government apparatus included a black mayor and a black local city council, Washington, DC epitomizes Adolph Reed’s notion of the black urban regime (BUR). One of the great challenges for the first wave of post-Jim Crow black urban politicians who emerged from the 1970s was “balancing the redistributive expectations of Black electoral constituencies and the increasingly hegemonic logic of urban entrepreneurialism produced by … capital flight and declining federal aid to cities.” Several urban scholars examining the nascent BURs of the 1970s have focussed on these regimes and connections with neoliberal development. However, there has been precious little scholarship that demonstrates how neoliberalism within these regimes generates social inequalities particularly in terms of housing and homelessness at the end of the twentieth century. Keeanga-Yamahtta Taylor’s study of homeownership, which deals with the predatory

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81 Jason Hackworth, The Neoliberal City: Governance, Ideology, and Development in American Urbanism (Ithaca, NY: Cornell University Press, 2007), 11.
82 Ibid.
83 Jamie Peck and Adam Tickell, “Neoliberalizing Space,” Antipode, 34 (2002), 380–404.
84 Ibid.
85 Ibid.
86 Ibid.
87 Adolph L. Reed, Stirrings in the Jug: Black Politics in the Post-segregation Era (Minneapolis: University of Minnesota Press, 1999).
88 Cedric Johnson, “The Half-Life of the Black Urban Regime,” Labor Studies Journal, 41, 3 (2016), 248–55, 250.
89 Keeanga-Yamahtta Taylor, Race for Profit: How Banks and the Real Estate Industry Undermined Black Homeownership (Chapel Hill: University of North Carolina Press,
practices of lending institutions of the 1970s, recognizes neoliberalism as “a strategic effort aimed at restoring the profitability of business and capital” and “a political, social, and economic rejection of the social welfare state and the social contract more generally.” Vincent Lyon-Calio recognizes the deleterious effects of neoliberalism not only on homeless-policy rollout, but also on its linkages to “privatization, marketization, and deregulation” and how its “structural adjustment policies” lead to “reductions in government spending on … social welfare programs.” This paper argues that the convergence of the second and third ghettos in terms of housing precarity for families on welfare reveals the importance of the welfare hotel as a public–private partnership—“a paradigmatic instrument of neoliberal governance.”

Homelessness was not just about the lack of affordable housing within neoliberal urban spaces; it also involved the larger question of poverty in America. In the case of black single FHHs in homeless families, bureaucratized homeless-assistance services that separated soup kitchen aid in one hotel and shelter provision in another offered dilapidated dangerous hotel conditions and poor support services; facilitated the misappropriation of federal and state funds by private vendor profiteers; and left AFDC recipients—particularly black single FHHs living in welfare hotels—to endure the gendered state violence of this poverty trap. For the residents of these welfare hotels, a fundamental point of consensus in poverty scholarship concerning inner-city family homelessness was the observation that as dramatic as the shifts in the composition of poor families were during the 1970s and 1980s, these trends were even more drastic in the African American community: “during the 1970s, the number of black families in poverty who were maintained by men declined by 35 percent, while the number maintained by women increased by 62 percent.” Over the next ten years, “black … [FHHs] increased from one-half to three-fourths of all poor black families.”

While a broad spectrum of ideological perspectives exists on the breakdown of

2019); Vincent Lyon-Calio, *Inequality, Poverty, and Neoliberal Governance: Activist Ethnography in the Homeless Sheltering Industry* (Toronto: UTP, 2008).
90 Taylor, 231.
91 Lyon-Calio, 10–11; see also Ben Holtzman, *The Long Crisis: New York City and the Path to Neoliberalism* (New York: Oxford University Press, 2021).
92 C. G. Steffen, “The Corporate Campaign against Homelessness: Class Power and Urban Governance in Neoliberal Atlanta, 1973–88,” *Journal of Social History*, 46, 1 (2012), 170–96, 171.
93 Marcia Slacum Greene, “Many D.C. Families Trapped in Emergency Shelters: Families in Emergency Housing Find It Hard to Get Out,” *Washington Post*, 18 April 1987.
94 Diana Pearce, “The Feminization of Ghetto Poverty,” *Society*, 21, 1 (Nov–Dec. 1983), 70–74, 70.
the black two-parent family, Donna Franklin takes a more intersectional approach to FHH poverty by making four main observations. First, although black and white women have a vested interest in “living wage, high-quality child care, and education, affordable housing, safe neighborhoods and meaningful work for everyone,” African American women living in “isolated urban neighborhoods are at the greatest risk of experiencing the most persistent poverty.”

Second, while white male patriarchy oppresses white and black women both, African American men do not have “resources or power.” Therefore African American women’s struggle is not just a question of uplifting their condition but also of bettering the entire black community—including African American men. Third, her struggles for eradicating female poverty must be incorporated into the more comprehensive framework of social and economic transformation for all low-income families, including mother-only families and African American FHHs.

Finally, Franklin calls for a reevaluation of the “underlying assumption about the relationship of the state to the family and the ideologies that have shaped these family policies.” Franklin’s more comprehensive approach to black female poverty easily fits into more contemporary intersectional approaches to race, gender, and social inequality in BURs.

Barry’s first of four mandates as mayor of Washington, DC was not a mere backdrop to the commercial real-estate investment boom in the early 1980s. In fact, he was an active powerbroker in his own right. Barry adopted several strategies to shore up the confidence of downtown business elites. Besides adopting several austerity measures to reduce the substantial budget deficit and his vigorous support of “the policy of aggressive downtown development as the city’s primary urban revitalization plan,” he also encouraged the open-marketization of the homeless crisis for homeless families.

The third ghetto in Washington, DC was born into a system of public–private relationships between faith-based organizations and nonprofit service providers and the local city government of the late 1970s. The difference between these early partnerships and the welfare hotels which constituted the “homeless businesses” of the 1980s can be distilled into the notion of quid pro quo— influence for profit.

In the 1980s, a demographic development to suit the new configuration of downtown-as-the-silver-bullet paradigm in urban regimes would lead to land

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95 Donna L. Franklin, “Feminization of Poverty and African-American Families: Illusions and Realities,” *Affilia*, 7, 2 (1992), 142–55, 152.
96 Ibid.
97 Ibid.
98 Franklin, 152; see also Adolph Reed Jr., “The Underclass as Myth and Symbol: The Poverty of Discourse about Poverty,” *Radical America*, 24 (Jan.–March), 21–40.
99 Stephen J. McGovern, *The Politics of Downtown Development: Dynamic Political Cultures in San Francisco and Washington D.C.* (Lexington: The University of Press of Kentucky, 1988), 197.
grabs in the real-estate boom that reshaped abandoned and deteriorating neighbourhoods. Despite the recovery from a national economic recession during the Reagan era, the rising tide of market-based strategies such as privatization, marketization, and consumerism to promote economic revitalization did not trickle down to those most in need. The working poor could not necessarily earn a living wage and the most destitute were left to eke out an existence in train stations, on benches, or on steamed grates. Palliative measures were offered as solutions from social activists, faith-based crisis-driven service provision outliers, and policymakers on both sides of the political divide. However, the homogenized yet vital remedy proposed in the 1980s—emergency shelters—offered no better argument than a shield against the elements with, funds permitting, a few uncoordinated, stopgap, wraparound services. A prime example of one such a quick fix was the use of welfare hotels in Washington, DC. These commercially owned hotels or motels, known for their inadequate physical conditions and services, provided emergency shelter to homeless families that usually received some form of public assistance. The Pitts Motor Hotel, located at 1451 Belmont St NW, was one of the most notorious welfare hotels in Washington, DC.

The Pitts Motor Hotel began subcontracting its public-housing needs as early as 1968. However, its contract renewals in the 1980s were based on a combination of neoliberal practices that perpetuated housing inequality. First, there was the privatization of food and lodging services to entitlement recipients in the form of lucrative contracts that attracted homeless-business “profiters” who were either one of Barry’s friends or contributors to his election campaigns.100 Second, there was the deregulation of service provision, which fostered a lack of accountability and oversight, which then fostered flagrant overbilling of homeless services and lamentable living standards for homeless families.101 Some $17 million in public funds were spent on this fifty-room hotel to shelter the homeless during the 1980s until its closure in August 1990.102

Early on in his first mandate, Barry supported homeless issues, coming out in favour of “shelter as a basic human right,” and officially backing “a comprehensive program of privately staffed, decentralized shelters for the city’s homeless.”103 However, to make up for the $115 million city deficit in addition to

100 Greenberger, Brown, and Bowden, “Cold Harsh, and Unending Resistance,” 76, 85.
101 US Congress, “Mismanagement in Programs for the Homeless in Washington, D.C.,” hearing before the Human Resources and Intergovernmental Relations Subcommittee of the Committee on Government Operations, House of Representatives, 101st Cong., 2nd sess., 12 June 1990, § (18 March 1991), 440–43.
102 Editorial, “Pitts Hotel: Final Checkout,” Washington Post, 31 Aug. 1990, A26.
103 Paul W. Valentine, “Barry Backs Small Shelters, Centers for Street People,” Washington Post, 15 Feb. 1979.
the city’s long-term debt of more than $300 million and a pension liability of almost $740 million that was left on the books of the previous administration, austerity measures had to be taken. Tax increases, cutbacks in city services, “layoffs, and pay freezes” were implemented only a year after Barry promised CCNV “a dramatic improvement of homeless services.” To further compensate for the District’s budgetary shortfalls, Barry began reaching out to private-sector actors such as “churches, community organizations, and business groups” for homeless-shelter provisioning. He abused his power by doling out “multimillion-dollar contracts” to cronies who then “warehouse[d] homeless families in broken-down motels and apartment buildings.” The most infamous of these slumlords was Cornelius Pitts.

How did the Pitts Motor Hotel, which once housed prominent African American civil rights figures, musicians, and politicians in the 1960s, become one of the nation’s most notorious welfare hotels and “a symbol of financial mismanagement by the District government?” By the 1980s, this hotel had fallen on hard times and found itself in a high-crime area of Columbia Heights. Mayor Barry would use his influence to secure a business venture that allowed Mr. Pitts an opportunity to turn things around. The Pitts Motor Hotel had been contracting with the city to shelter single adults and childless couples since the mid-1960s, but the contract the city offered at the beginning of the 1980s was particularly lucrative: a “$1.3 million contract to house an estimated 400 evicted families over a year’s time,” a contract which was not opened up to competitive bidding the following year and automatically renewed. In 1984, Pitts became further entrenched in the homeless business. He dedicated the hotel’s rooms exclusively to the homeless, renewing the contract for $1.5 million for the entire fifty-two-room hotel and offering 144 meals a day in dilapidated rooms without cooking facilities. An audit investigating mismanagement in DC’s homeless programs during the 1980s made several startling revelations: Mr. and Mrs. Pitts had given themselves “exorbitant salaries,” charged the city unnecessary damage and financial-

104 Chris Myers Asch and George Derek Musgrove, Chocolate City: A History of Race and Democracy in the Nation’s Capital (Chapel Hill: University of North Carolina Press, 2017), 395. The cuts were designated for the 1981 budget.
105 Ibid.
106 Valentine; Harry S. Jaffe and Tom Sherwood, Dream City: Race, Power, and the Decline of Washington, D.C. (New York: Simon & Schuster, 1994), 153.
107 Claudia Levy, “Cornelius Pitts Dies: Hotel Sheltered Homeless,” Washington Post, 16 March 2002.
108 Edward D. Sargent, “City Gives Pitts Hotel $1 Million Contract to Shelter Homeless,” Washington Post, 3 June 1982.
109 Jaffe and Sherwood, 154. US Congress, “Mismanagement in Programs for the Homeless in Washington, D.C.,” 440.
management charges, and were suspected of not giving its residents all three
guaranteed meals a day and overcharging for its food-provisioning services.\textsuperscript{110}
Additionally, the Pitts Motor Hotel had already gained a reputation as a part
of the triumvirate of welfare hotels including the Budget Inn and Capital City
Inn plagued by a system of predatory sheltering and drug dealing.\textsuperscript{111} As various
homeless services were divided between these different emergency shelters,
occupants spent their days in a “homeless shuffle” from one hotel to
another.\textsuperscript{112} This new permutation of homelessness saw many families go
from dilapidated public housing to welfare hotels and makeshift emergency
shelters “known as the open-market system” – the only available options in
the growing homeless crisis in the District.\textsuperscript{113}
Reagan’s 1986 State of the Union address reminded families and commu-
nities of their role in the “Great American Comeback,” the industrial and
financial challenges they had overcome, as well as the need to redefine
poorly crafted policy that went against certain American core values. Reagan
declared, “We must revise or replace programs enacted in the name of compas-
sion that degrade the moral worth of work, encourage family breakups, and
drive communities into a bleak and heartless dependency.”\textsuperscript{114} The nascent
welfare consensus of the 1980s “grew out of an inseparable combination of
welfare politics, ideological realignment, and new poverty knowledge.”\textsuperscript{115}
This ideological shift in the debate over welfare reform was characterized by
the reformulation of the poverty problem around issues such as personal
responsibility and the elimination of welfare dependency, an agenda that
was accepted on both sides of the political divide. This shift was characterized
by a sharp focus on the dependency of AFDC families rather than on the

\textsuperscript{110} Sharon La Franiere, “D.C. Audit Official Calls Pitts Contract Exorbitant,” \textit{Washington Post}, 11 Nov. 1986, C5.

\textsuperscript{111} Marcia Slacum Greene, “Children in the Storm: D.C. Young Scramble to Survive in
Shelter,” \textit{Washington Post}, 28 March 1988, A1; US Congress, “Use of AFDC Funds for
Homeless Families: Joint Hearing before the Subcommittee on Public Assistance and
Unemployment Compensation of the Committee on Social Security and Family Policy
of the Committee on Finance,” House of Representatives, 100th Cong., 2nd sess., 28
March 1988, 218–19.

\textsuperscript{112} Dorothy Gilliam, “Homeless Dealt a Bad Hand,” \textit{Washington Post}, 24 March 1988;
Margaret Engel, “Homeless Women’s ‘Revolving Door’,” \textit{Washington Post}, 25 Dec.
1984, A1.

\textsuperscript{113} Ellen L. Bassuk, “Feminization of Homelessness: Families in Boston Shelters,” \textit{Community
Mental Health Journal}, 26 (1987), 425–34; Dorothy Wickenden, “Abandoned Americans:
What Ronald Reagan Could Learn from Charles Dickens,” \textit{New Republic}, 18 March 1985,
21. Found in Magazine Articles, 1981–1986, MS2025, Series 6, Box 2, Folder 9, Mary Ellen
Hombs Papers, Special Collections Research Center, George Washington University.

\textsuperscript{114} Editorial, “Reagan Hails ‘Great American Comeback’,” \textit{Harvard Crimson}, 5 Feb. 1986.

\textsuperscript{115} O’Connor, \textit{Poverty Knowledge}, 259.
creation of solutions to the underlying structural problems hidden behind the symptoms of this “dependency.”

As the country approached the end of the Reagan administration, the crisis in family homelessness in Washington, DC continued to get worse. Due to “increased evictions, the shortage of low-income housing and an influx of poor families” the city turned increasingly to the “open market of welfare hotels.” By 1986, the number of homeless families in the District had jumped from “a low of 57 to a high of 169” in just five months. Even the use of welfare hotels proved inadequate to meet the demand of the crisis in family homelessness. By 1988, 525 families (610 adults and 1,338 children) were being sheltered not only in several hotels and motels in the District, but also in an open public-school gymnasium converted into a mass shelter, at $20 million per annum. The 12,000 names on the local waiting list for public housing were a tragic denouement for this segment of the “new” homeless population – families with minor children. According to studies published by the General Accounting Office, these “families – usually comprising a single parent, often a minority female, and two to three children receiving some type of public assistance – were the most rapidly growing segment of the homeless population, estimated at between thirty-three to forty per cent of the homeless” population in the District. “In reaction to the combination of squalid shelter conditions, harm to children and the needless cost of these shelters,” the DC Council decided to take action.

On 11 March 1988, the Emergency Shelter Services for Family Reform Act of 1987 went into effect. Its mandate was to “end the hotel style of housing families with minor children,” and “gave the Mayor one year to move families out of hotels and into supervised apartment style facilities.” The Act stipulated that families with minor children were to be placed in hotels or motels

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116 Ibid.
117 Wickenden, “Abandoned Americans,” 21.
118 Marcia Slacum Greene, “Homeless Families Triple in District: City-Funded Rooms at Motel Become Disturbingly Popular,” Washington Post, 9 Aug. 1986.
119 The National Coalition for the Homeless, “Precious Resources: Government-Owned Housing and the Needs of the Homeless. A Survey of 32 Cities,” Sept. 1988, 143; Marcia Slacum Greene, “Homeless Sheltered at RFK Stadium,” Washington Post, 23 March 1988, D1; see also Ralph Da Costa Nunez, The New Poverty: Homeless Families in America (New York: Plenum Press, 1996), 1–41; Carl T. Rowan, “35,000 a Year in a Welfare Hotel,” Washington Post, 30 Nov. 1986.
120 Morra et al., “Welfare Hotels,” 19; see also Rowan.
121 Greenberger, Brown, and Bowden, “Cold Harsh, and Unending Resistance,” 76. See also Yvette Díaz’s testimony about her experience in a New York City welfare hotel in US Congress, House of Representatives, “The Crisis in Homelessness Effects on Children and Families,” hearing before the Select Committee on Children Youth and Families, 100th Cong., 1st Session, 24 Feb. 1987, 9–10.
122 US Congress, “Mismanagement in Programs for the Homeless,” 429.
only if “some circumstances left no viable alternative,” and “for a maximum of 15 days.”\textsuperscript{123} The District blatantly disregarded the law, spending a total of $10.4 million on hotels in 1989. For example, it gave $4 million to Capitol City Inn, $3.8 million to the Pitts Hotel, and $1.2 million to the General Scott Inn. Although Capitol City Inn was closed in 1990, the city perpetuated the homeless business by simply finding a new hotel vendor (the Braxton).\textsuperscript{124} Local policy had not succeeded in curtailing the open-marketization of assistance to homeless families as this practice would continue into the rollout phase of the 1990s.

CONCLUSION

The emergency shelter system which emerged in the 1970s, first as an informal network of local and faith-based assistance and then institutionalized by the late 1980s, was Washington, DC’s third ghetto. This historical framework takes a broader and more inclusive view of housing precarity within the homeless population than Hirsch’s second-ghetto model, which focused on the narrower scope of Chicagoan public housing of the 1940s and 1950s. Although the third ghetto pertains to all subpopulations of the new homeless era in America, my focus on African American single FHHs underscores the degree of deterioration in the public-housing system and its connection to the homeless crisis. Whereas racial discrimination and segregation marked Hirsch’s second ghetto, it was the neoliberal policies and practices such as the public–private partnerships between federal and state entities that exacerbated the homeless crisis.

Following the narrower Hirschian model, the transition from the second to the third ghetto is best rendered through the examination of homeless families living in welfare hotels. These hotels, which emerged in the late twentieth century, were the tragic denouement of inadequate second-ghetto public housing. This iteration of emergency shelter provision was endemic to an ideological shift towards neoliberal policies and practices in homeless-family relief. The neoliberalization of homeless service provision was implemented through drastic cuts in eligibility and benefit levels for AFDC families, abandoned construction of affordable housing for low-income communities, and the creation of for-profit housing-service provision.

The making of the third ghetto in Washington, DC for African American homeless families was situated at the convergence of neoconservative policies of the Reagan administration, which exacerbated housing precarity for African American FHHs by rolling back domestic spending on low-income

\textsuperscript{123} Ibid.
\textsuperscript{124} Ibid.
housing benefits and facilitating the neoliberal commodification of homeless-shelter provisioning in the homeless-shelter business of welfare hotels. The number of homeless families housed in DC welfare hotels grew dramatically following the passage of Initiative 17. These hotels were perfect examples of the process of neoliberalization in homeless provisioning of the 1980s—an unintended outcome of anti-homelessness activism which helped pass the initiative. Privatizing public services, creating partnerships with private entities by leveraging public funds, city government and profiteers in the homeless business were complicit in the exertion of this “positive power” at the expense of open-market mothers and their families who received AFDC benefits yet stayed in welfare hotels.

By the end of the Reagan administration, an ascendant antipathy towards homeless assistance would be used to decry the inefficiencies of warehousing the poor in emergency shelters which were housing crisis levels of single residents and homeless families. Cost-cutting measures for social-service provision and homeless assistance services in the name of investment stimulation and economic growth characterized the rollback phase of the 1980s. The rise of this neoliberal city, whose interests were increasingly divided from the needs of the homeless, laid the groundwork for the rollout phase of the 1990s that aimed to break the cycle of social-service dependency. Unfortunately, this rollout would lead to a mere reduction in the use of welfare hotels and not to their eradication, as profit remained a driving force behind local-governmental homeless assistance of the third ghetto.

AUTHOR BIOGRAPHY

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