

# **HOUSING for WAR**

*and*

## **THE JOB AHEAD**



*A Common Goal for Communities*

*. . . for Industry, Labor*

*and Government*



**NATIONAL HOUSING AGENCY**

*Washington, D. C.*

**April, 1944**

## Housing for War . . .

"This war involves a total national effort and industrial mobilization. Industry cannot effectively mobilize and plants cannot expand with sufficient rapidity unless there are enough houses to bring the worker to the job, keep him on the job, and maintain his efficiency and morale. . . ."

PRESIDENT ROOSEVELT  
*in a message to Congress.*

"Public and private construction programs must be diverted into channels which contribute directly to winning the war. . . ."

DONALD M. NELSON,  
*Chairman of the War Production Board.*

## —and the Job Ahead . . .

"The war housing job won't be done until the war is won and any diversion of effort from that job is unthinkable. . . . But we can plan now for the time when materials and manpower again will be available to meet the nation's housing needs. The responsibility for planning for the future is up to communities themselves, but industry, labor, and government—local, state, and federal—must cooperate in every way if we are to attain the goal of decent homes for all Americans. . . ."

JOHN B. BLANDFORD, JR.,  
*Administrator, National Housing Agency.*

SINCE PEARL HARBOR, America's housing job has been to lick the war housing problem. That will be our job until victory is assured. But this task itself points directly toward much broader horizons in the future, with the ultimate goal of good housing for all American families.

## Housing Is Drafted for War

Today, about 3,500,000 essential war workers—close to 8,000,000 men, women, and children in all—are living in quarters mobilized under the war housing program. This vast program, still not completed, has been imperative in reaching our war production goals.

The transformation of this country into the most powerful arsenal in history has taxed all our resources. We have had to boost our war expenditures from 1½ billion dollars in 1939 to 84 billions in 1943. We have had to expand on a tremendous scale our output of the warships, planes, tanks, guns, ammunition and all the other equipment needed by the fighting forces of this country and the United Nations.

A great part of our civilian industry had to be converted to war production. But this was not enough. Hundreds of new factories—shipyards, aircraft plants, powder mills, and tank arsenals—have sprung up in the biggest and most rapid industrial expansion this nation or any other has ever seen.

Many of them have been located in big pre-war industrial centers. Many have been built in smaller cities, bringing them a mushroom industrial growth. Many have had to be erected in remote, undeveloped areas.

### *An Epic Migration*

And all of them have needed manpower. At the same time that millions of men were being mobilized for the fighting forces, other millions had to be recruited to man our production lines. Otherwise, our vast war plant would have remained merely a shell. Part of this need has been met by resident workers shifting from peacetime jobs to war jobs. Part has been supplied by recruiting women, semi-incapacitated persons and others not previously in the labor force. But this still left a gap of millions which had to be filled if peak war production was to be reached in time. The only answer was the movement of American workers by the millions to the spots where there was urgent war work to be done.

This epic migration of American labor—to Los Angeles, Detroit, San Diego, Mobile, San Francisco, Hartford, Hampton Roads, Portland, Seattle, Baltimore, Dallas, and hundreds of other war industry areas—has been the keystone of our war production triumph.

It has also been the nub of the war housing problem. The role of war housing has been to help bring workers to the job, and keep them on the job, in nearly a thousand cities and towns.

### *Overcoming Wartime Obstacles*

Because men and women must have decent places to live, quarters have had to be provided for those who left their homes to take war jobs.

Under wartime conditions, it has been impossible to meet this need simply by unlimited construction of new housing. To build a house requires steel, copper, zinc, lumber—the same materials that go into planes, ships, tanks, and guns. Clearly, materials could be diverted from these needs only to serve equally vital war functions. In the face of the tremendous demands of the war upon manpower and materials, there have not been enough of either to build new houses for all workers, let alone continue normal peacetime housing construction.

To square the housing program with the demands of a nation at war, these steps have been necessary:

. . . Construction has been limited strictly to the needs created by essential migration of war labor:

. . . As much as possible of this need has been met through the existing housing supply in war industry areas.

. . . Wherever feasible, war housing has been provided by converting existing buildings into additional apartments, thereby minimizing the use of materials, manpower, and money.

. . . Where new construction has been essential, drastic economies in use of critical war materials have been made—ranging up to 80 percent from peacetime standards in the



case of temporary war dwellings and up to 60 to 70 percent in the case of permanent structures.

Even when stripped down to these wartime essentials, war housing has had to overcome many serious obstacles. The housing need has generally been the most urgent in areas where community services—stores, schools, utilities, hospitals, and recreational facilities—were already overtaxed or entirely inadequate. Because war housing is geared to the shifting manpower requirements of a dynamic global war, it was not possible to draw up a complete war housing program for each community at the time of Pearl Harbor and then go “all out” to produce it. Instead, the program has had to be constantly adjusted to changing conditions—to make sure that critical needs would be met but to avoid wasting materials and manpower in projects not needed for war purposes.

Sweeping changes from peacetime construction practices also were imperative, and early difficulties in securing an adequate flow of materials caused many delays in construction, with a serious lag for a time in some key areas between the supply of housing and the needs of incoming workers.

### ***A Job That Called for Teamwork***

War housing is the product of coordinated effort by industry, labor, local communities, and the Federal Government. On no other basis could the job be done.

In the Federal Government, the responsibility for war housing is lodged in the National Housing Agency (NHA),

which was established by the President on February 24, 1942, as a consolidation of all housing activities of the Federal Government except those relating to farm housing. Policies are centered in the Office of the Administrator of the NHA, while operations are streamlined through three major units of the Agency—the Federal Housing Administration (FHA), the Federal Public Housing Authority (FPHA) and the Federal Home Loan Bank Administration (FHLBA).

The NHA has closely coordinated war housing with the War Manpower Commission (WMC), as to necessary migration of war labor; with the War Production Board (WPB), which allocates materials; with the War and Navy Departments, the Maritime Commission and other war supply agencies as to the housing needs of specific war industries.

In the communities, the NHA has sought and secured the cooperation of local governments, business, labor, and citizens generally in making maximum use of the existing housing supply. To speed this essential phase of the war housing effort, the NHA has operated War Housing Centers in about 170 of the most crowded war industry areas. These Centers, supported in large part by the communities they serve, seek listings of rooms and family quarters for rental to war workers, stimulate conversions of existing buildings to provide additional war housing, and help war workers find suitable accommodations.

In the war housing construction job, the resources of all segments of the housing industry have been utilized. The NHA schedules privately financed construction wherever a

post-war demand for the housing is reasonably likely, and wherever private builders can meet necessary wartime requirements. Mortgage insurance has been made available by Congress through the FHA to permit private financing of war housing despite increased wartime risks.

Where public financing is required, the work also is done by private contractors. In most communities where local housing authorities are in operation, the development and management of publicly financed war housing projects have been assigned to those local bodies. Since publicly financed housing is used primarily to meet emergency duration needs, practically all such housing in the last 18 months has been of temporary construction, minimizing the expenditure of materials, manpower, and money.

### ***The War Housing Balance Sheet***

Through these coordinated efforts, the balance sheet of the war housing program stands as follows:

... About 1,900,000 accommodations for war workers have been secured in existing dwellings in war industry areas and are now housing more than 3,000,000 persons, including workers' families.

... 1,500,000 units of new or converted war housing have been built and are housing close to 5,000,000 persons. Another 300,000 units are under construction or scheduled.

... Almost 60 percent of this war housing construction is being privately financed, and private capital is carrying

or will carry more than \$4 billion of the total investment in war housing.

... The need for public funds in war housing has been held to \$2.3 billion, involving about 800,000 housing units of all types.

The sum total represents nearly 1,000 local war housing programs. In each instance, the amount and type of war housing is determined only after a careful check in cooperation with the WMC of the nonresident labor needed by war industries in the locality, the available local housing supply, the likelihood of demand for wartime housing after the war, the capacity of the local building industry, and the long-term trend of growth in the community. These investigations are made in close consultation with local government, local business and industry, and local citizen groups.

### ***Housing Catches Up With the Need***

In the majority of areas, the supply of war housing is now in line with the needs of in-migrant war workers, both present and prospective. Acute needs for additional housing are continuing, however, in those areas where new war plants are being brought into production, or where existing plants must step up their employment to reach peak output. In those areas, active building is still under way and intensive efforts must be made to carry it to rapid completion. The shifting pattern of production caused by developments in the strategy of the war—requiring sudden expansion here and sudden contraction there—must also be watched closely to



assure that the war housing supply is in line with urgent war needs.

Such production shifts, radically cutting down on the scheduled recruitment of migrating workers, already have resulted in vacancies in war housing in various communities. In some communities, it has been possible to relax occupancy regulations and release those vacancies to resident war workers; where the units are demountable, some of them can and are being moved to areas where the need for housing still exists; in still other communities, the units must be held vacant in anticipation of recurring needs, or pending recruitment of workers already scheduled.

Despite changes in production schedules, occupancy of completed family quarters has consistently been around 95 percent. Dormitory vacancies have increased with the draft of single men into the armed forces, since the older migrating workers have brought their families with them; and disposition of some dormitories will take place in the near future. Meanwhile, the 35,000 trailers purchased for "stop-gap" use are being transferred from community to community to meet sudden needs or serve plants where employment is most likely to fluctuate.

### *Some Casualties of War*

Although there is constant pressure for more war housing in some parts of the country, an increase in vacancies is inevitable in others. As war strategy calls for more of certain types of weapons and less of others, employment

will increase in plants producing the needed types and decrease where production is curtailed. Some housing will be vacated as plants cut down their operations—and be charged off, like plants, as a casualty of war. Temporary, publicly financed housing, the cost of which has been brought down to about \$2,700 per unit including land and utilities, will bear the brunt of the impact.

Vacancy problems exist, of course, in only a small proportion of the hundreds of the communities where war housing has been built. In the great majority of war industry communities—even where construction programs have been completed—the job of housing war workers is by no means finished. Quarters rented to workers in existing buildings must be kept open to them as long as they are needed. There must be no premature relaxation on the housing front.

### *What Will Be Done With War Housing?*

War housing is strictly a war commodity. Its use of critical materials and manpower has been justified only to meet needs vital to winning the war. Nevertheless, as by-products of its essential war purposes, the program contains some permanent assets. These will include:

... 1,100,000 family dwellings (largely privately financed) suitable for long-term use after the war and generally developed in harmony with the future trend of growth of war industry communities.

... Some 250,000 apartments converted from older buildings, located generally in declining neighborhoods.

Though there will be some wastage, much of this rehabilitation phase of the war housing program should help stabilize real estate values after the war.

. . . Protection against wartime overbuilding of war industry communities by meeting a large part of the in-migrant need through use of existing housing, and by constructing temporary housing for purely temporary wartime needs.

The 265,000 temporary family dwellings and the temporary dormitories for 165,000 single persons must be torn down after the war. These temporary structures have provided decent, comfortable housing under wartime conditions. But for extended peacetime use, they would clearly be below acceptable standards—in construction, in design, and in location. That is why the NHA has always considered this type of war housing to be as expandable as munitions of war. And that is why Congress, at the request of the NHA, directed the removal of all temporary war housing within 2 years after the end of the war, subject to limited exceptions where the communities and the NHA Administrator find further usage desirable for a time in the interests of orderly war demobilization.

### *Wartime Problems Ahead*

The lasting benefits of the war housing program will be a national gain, but they will only scratch the surface of the Nation's need for good housing.

Because of wartime demands for materials and manpower, war housing has been centered on the in-migrant need. In

nonwar communities there has been no new building. Normal depreciation of existing housing has been stepped up by intensified use in war areas. Normal upkeep and repairs have been curtailed by shortages of materials and manpower. And there was a big backlog of need for better housing when Pearl Harbor halted all normal, peacetime construction.

So the nation has tremendous pent-up requirements for new housing. To the maximum extent permitted by the war effort, plans and preparations for the future must be made now to permit us to move promptly and effectively when materials and manpower are again plentifully available for civilian production.

One pre-victory problem involves ways and means of keeping a core of the housing industry in operation throughout the war. If this can be done, then the building of new houses can pick up quickly, offering expanding outlets for jobs and investments at a time when war production is falling off. The large volume of war housing construction needed for in-migrant workers has thus far kept an important part of the housing industry busy and will continue to do so for several months more at least—at a cost of less than 1 percent of total output of critical metals and of about 7 percent of total lumber output. After the in-migrant need has been met, a comparable amount of materials may continue available to provide new housing to relieve over-crowded or substandard conditions. And whenever developments on the battlefronts permit a greater flow of materials for civilian use, and—even



more important—manpower becomes available, a start can be made toward catching up with other backlog needs and with postponed repairs and upkeep.

### *Unwinding the War Program*

Other interim problems include measures to assure effective utilization of the war housing supply, modification and eventual lifting of occupancy controls and other necessary wartime regulations as promptly as the interests of the war effort permit, and orderly steps toward the disposition of publicly owned projects as emergency needs subside. The way in which we unwind the war housing program will have an important influence on conditions in the real estate markets and in the housing industry immediately after the war.

Eventually, of course, all occupancy controls will be removed from privately owned war housing. To assure the best use of publicly owned war housing under changing war conditions calls for efficient, flexible policies—a management job of major proportions in crowded war communities. As the wartime need for temporary housing disappears, the early removal of that housing will be planned in close accord with community housing needs and local real estate conditions as well as with national policies for demobilization and reconversion. The same close coordination and consultation will be necessary in the peacetime disposition of permanent war housing financed with Government funds.

### *Housing After the War*

Certainly in a nation with the vast resources and developed industrial capacity of the U. S. A., the right of every family to a decent home should some day become a reality.

If we achieve that reality, the impact will be felt throughout the nation. It will be evident in the health and welfare of our citizens. It will be evident in the sound growth of American cities, towns, and villages. And the economic gains will be tremendous in the form of good jobs, good investments, and big markets for the products of industry.

For all its potent economic aspects, housing is not just another competitive commercial product. It is an area of broad public interest. The houses people live in—the neighborhoods they live in—have a direct bearing on the type of citizens they will be. The relationship of bad housing and bad neighborhoods to crime, delinquency, and disease has been proved time and again. Where houses are built, how they are built, and how they are financed are directly related to the sound and solvent development of American communities. And the sum total of all these housing influences is of vital interest to the nation at large.

If all American families attain their right to a decent home within a reasonable time after the war, the proportions of the job to be done will be huge. Simply to house returning married soldiers and families living doubled up during the war will require from 1 million to 2 million new houses in the immediate post-war period. To take care of new fam-



ilies and replacement of houses destroyed by fire and other hazards will require in the neighborhood of 500,000 new houses a year. There will be hundreds of thousands—perhaps millions—of families who were ready to build new homes during the war and who will want to carry out their postponed plans when normal building is resumed. And, most important of all, there are millions of substandard houses—without plumbing, without bathrooms, without enough light and air, without adequate living space, and in all stages of disrepair—which must be replaced.

### *An Unprecedented Job Ahead*

To do this job within a reasonable time, there will have to be a much larger volume of housing than in the years immediately preceding Pearl Harbor, when production averaged 600,000 new houses a year. There will have to be a larger production than in the Twenties, when it averaged 700,000 a year. And to do the job right, there must be better houses at lower cost for the broad mass market, with better design and better neighborhood and community planning.

The drive for this goal and preparations for it cannot be left up to the Federal Government, although it must do everything it can to help. Neither can housing be charted in the board rooms of industry, even though industry's cooperation will be essential to success. Nor can labor organizations plan the job alone, although labor's support will be imperative. Instead the responsibility cuts across all ranks—industry,

labor, finance; Federal, State, and local governments, and the citizens in every city, town, and village throughout the land.

In outlining any plans for the future, it is imperative that we don't proceed on any illusion that we can relax on our wartime job. It may be a long time before normal housing programs can be put into effect; any diversion of materials, manpower, or funds to "peacetime" projects, when they are needed for war, is unthinkable. Sensible forethought and planning for the future, however, are not only possible but will be a practical contribution to the Nation's welfare.

Except in wartime, housing is essentially the responsibility of the communities in which the housing will be built and lived in. Communities must decide where housing shall be built and what kind—just as they must decide whether they want to be large or small, industrial or residential, or a mixture of both.

### *Communities Face An Obligation, Too*

But this community responsibility carries with it an obligation—if all American families are really to attain their right to a decent home. Housing in the past has been too typically a trial and error procedure. It has been built too frequently without regard for the long-term trend of developments in the communities, and with no effort to match up housing construction with the needs and incomes of all citizens in the communities. The upshot has been slums, blighted neighborhoods, planless shifts from the cen-

ters of cities to the suburbs, declining real estate values, and serious financial problems for municipal treasuries.

The obligation of communities is to bring order out of this chaos. The objective should not be to regiment all building activity but simply to decide where the community is going and how it is to get there and let everyone know. The first step toward effective planning should be the establishment of definite community machinery to determine the community's broad housing goals and to decide how best to achieve them. Some cities already have some machinery; most do not.

This machinery should be broadly representative of all elements in the community structure—official, civic, labor, business, and industrial. In this manner, a community can be sure that its housing goals are in harmony with the prevailing aspirations of the groups who shape its life and growth. In this way, a community can more intelligently coordinate its housing plans with national developments in industry and finance. Then, a community can intelligently decide what help—technical or financial—it needs from the Federal Government.

### ***Outline for Community Action***

Here are some of the specific housing plans and preparations which communities should now be making:

... Determine the total need in the light of the normal incomes of citizen groups.

... Match up that need with the existing housing supply, including structures which can be modernized, to determine the need for new construction.

... Decide where the community's residential districts are to expand.

... Earmark specific slum areas and blighted neighborhoods for redevelopment and determine the nature of that redevelopment.

... Help neighborhood associations in older but still acceptable areas to conserve and protect their residential qualities.

... Coordinate housing plans with all other community post-war plans.

... Reexamine building codes and zoning ordinances to determine whether revision is needed in the light of technical development and community housing plans.

... Reexamine the municipal tax structure to decide whether there are obstacles to economic housing development that can be lifted or moderated.

... Consult with builders and financial institutions to determine how much of the housing need can be met by private capital unaided, how much can be met through mortgage insurance or secondary credit, how much will need other forms of financial assistance.

### ***What Industry and Labor Can Do Now***

American industry, in the broad sense, is the source of this nation's housing supply, sponsors its housing develop-



ments, and invests the capital. American labor builds the houses and mans the factories producing the necessary equipment and materials. Both have big stakes in an effective post-war housing program.

Both industry and labor must cooperate in stimulating community preparations for post-war housing. The participation of local builders, real estate brokers, lenders and representatives of the materials industry is essential for the development of realistic community plans. Labor must participate, not only as representative of the construction trades but, on a broader scale, as representative of the workers who need better housing.

There are many other ways in which industry, business, and labor can help; many of them in cooperation with Government:

... Plans for the reconversion of the building materials and equipment industry to peacetime production should be perfected so that distribution channels can be amply supplied at the earliest practicable moment.

... New materials developed during the war and new construction methods should be studied to determine their applicability to higher quality and lower cost in post-war housing.

... Industry and labor should jointly consider ways and means of achieving greater stability of building employment and higher annual earnings while working toward increased efficiency and lower production costs.

... Joint consideration should also be given to more

efficient distribution methods in the housing industry, again with the objective of lower costs and increased volume.

... Lending institutions should study the investment problems of a large-scale post-war housing program, relate these problems to their present mortgage lending practices and to present methods of governmental aid, and cooperate in the development of new financing tools to the extent needed.

In all these considerations, industry and labor should bear in mind that a full scale housing effort—aimed at the goal of decent homes for all American families—assures large employment and good earnings for construction workers, broad opportunities for fair profits by builders and contractors, big outlets for the materials and equipment industry, and a large volume of sound investments for lending institutions.

### *What Is the Federal Government's Role?*

The Federal Government has these basic functions in housing: (1) To provide technical assistance and research to help keep the housing industry at the highest possible level of technical, social and economic development; (2) To provide reliable information on reconversion, demobilization and national economic trends; (3) To provide sufficient volume and types of financial assistance to assure that the total housing need is met. All these functions stem from the broad public interest attached to housing and from the impact of

success or failure of post-war housing on the social and economic health of the nation at large.

The Federal Government should serve as a clearing house for all significant information on housing. It should draw together all important housing experience, analyze it and shape it into workable guides for action. It should appraise new developments in construction techniques, materials and equipment, finance and planning. This body of information should be freely available to communities, industry, labor, finance, and all groups participating in the housing of America.

The disposition of federally owned war housing, whether permanent or temporary, should be worked out closely with war industry communities—tailored to their housing needs and to the condition of the local real estate markets. At all times, the Federal Government should make it possible to balance housing programs intelligently with broad national economic trends. Housing cannot operate in an economic vacuum and cannot attain maximum proportions without sufficient security and sufficient purchasing power to permit most people to buy or rent good housing.

In the financing of housing, the Federal Government should offer private capital such tested supplementary aids as FHA mortgage insurance and the secondary credit made available to lending institutions by the Federal Home Loan Bank System. It should consider the advisability of broadening these indirect aids in order to help private enterprise reach lower in the income scale with good housing than ever before.

### ***The Final Obligation of Government***

The Government should also determine whether there is need for new tools of financial aid to assist private enterprise in building good rental housing for lower income citizens, or to participate in the redevelopment of blighted city neighborhoods. The objective of all these measures would be to greatly broaden the area in which good housing can be produced for the overwhelming majority of American citizens on the basis of economic sales prices and economic rents. To the extent that groups of the people still can not pay the full cost of good housing, it becomes a public responsibility—local, State and Federal—to meet the need. We should therefore reexamine the various methods of subsidy aid to low-rent housing, including the U. S. Housing Act formula for joint Federal and municipal contributions under which most of the pre-war low-rent slum-clearance housing was financed.

On the basis of these studies and of suggestions and proposals from communities, industry, and labor, recommendations can be laid before Congress to complete the legislative framework for post-war housing.

There is much that can be done now to lay the foundations for post-war housing. If communities, industry, and labor, and the Federal Government press forward with plans and preparations in their respective spheres, the nation can enter the peace with decks cleared for action and move ahead toward the goal of "a decent home for every American family."



**The National Housing Agency** was established on February 24, 1942 by Executive Order 9070 of the President. Policies are centered in the Office of the Administrator. The Agency's major units are:

**THE FEDERAL HOUSING ADMINISTRATION**, which insures loans made by private financial institutions for building of new homes and the purchase or improvement of existing dwellings. FHA field offices handle applications for priority ratings or allocation of critical materials for privately financed wartime construction and conversions.

**THE FEDERAL PUBLIC HOUSING AUTHORITY**, responsible for all war housing built with public funds, other than housing located on Army or Navy reservations, posts, or bases; and for all non-farm public housing for low-income families and the rural housing program for such families developed by the U. S. Housing Authority. The FPHA has taken over the housing functions of that Authority, the Defense Homes Corporation, and several other agencies.

**THE FEDERAL HOME LOAN BANK ADMINISTRATION**, supervising the *Federal Home Loan Bank System*, which provides a credit reserve for some 3,800 thrift and home-financing institutions; the *Federal Savings and Loan Insurance Corporation*, which protects up to \$5,000 the savings of investors in nearly 2,400 such institutions; and the *Home Owners' Loan Corporation*, which loaned more than \$3,000,000,000 to distressed home owners threatened with foreclosure during the depression.

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**NHA Regional Offices: Boston, New York, Atlanta, Chicago, Kansas City, Dallas, Seattle, San Francisco.**