

THE FLIGHT TO THE SUBURBS SLACKENS

A. F. Parrott, Consolidated Edison Co. of N.Y.

Since the war, the face of much of the country has been remade. The much publicized flight to the suburbs has affected not only the cities and suburbs, but also the exurbs and even the country beyond. However, the greatest effect has been felt upon the cities and suburbs, and here the most pressing problems have arisen.

This flight to the suburbs is really as old as the country. From early Colonial days, the large eastern cities have grown through a series of outward movements. As the area of original settlement became crowded, the more prosperous would seek more room and more congenial surroundings by moving towards the outskirts. The space they vacated was filled by newcomers, a great many of whom were immigrants. In New York, this outward movement was first northwards in Manhattan. Later it spilled over into the other boroughs and, later still, into the surrounding suburban counties.

Every large city of the country has grown in much the same manner. However, there is one excellent reason for using New York as an example besides the fact that I am more familiar with it than any other. Since it is by far the biggest city, we would expect any changes in this trend to appear first in New York. If the tide has already turned in New York, and I believe it has, it should not be long before it begins to turn in the other large cities.

First let us examine the extent of this movement and the problems it has posed for both cities and suburbs. Before the war many of the people who moved outwards still stayed within the city limits. After the war almost universal ownership of automobiles loosened the ties which had held people close to public transportation lines. Now almost any potato or fruit farm within forty miles of a large city became fair prey for a builder of mass developments. Under the V.A. and F.H.A. programs, huge numbers were able to buy houses with practically nothing down. In addition, the very low interest rates and long repayment terms that prevailed often made it cheaper to buy a house than to rent. It is no wonder that, after the war, this flight to the suburbs became the great mass migration of our times. Its extent may be judged from the fact that such migration figures as we have indicate that in just seven years, from 1950 to 1957, between a million and a million and a quarter people moved out of New York City to the suburbs. This is just one city. As the recent census figures have made painfully clear, the same thing was happening across the country, in small cities as well as large during this past decade. However, it was most marked in the large cities. Of the ten largest cities, the eight east of the Mississippi all lost population. Only Los Angeles and Houston gained. Even in the fast-growing West, San Francisco and Oakland declined.

Yet the central cities were not depopulated. While one-third lost some population, in toto they gained some eight per cent in the past decade. Part of the loss was made up by natural increase but, in most of the large cities of the country, the biggest factor was a large influx of poor negroes from the rural areas of the South.

This, too, was a large migration. Harlem is still the largest and best-known negro community. But two articles* in U.S. News and World Report and one in Architectural Forum# show the striking increase in the negro population of the northern and western cities since 1950. Here are a few examples of their fairly recent estimates of the percentage of negroes in northern cities: Cleveland about 25%; Chicago 19%; Detroit 22%; Philadelphia 27%; Dayton, Ohio, over 19%; Newark, New Jersey almost 35%; Gary, Indiana, 36; New York, 12.6%. While the percentage is lower in the western cities, the negro communities in Los Angeles, San Francisco and Oakland are among the fastest growing in the nation. In fact, the 1960 census may well show that Los Angeles has now a higher percentage of negroes than New York. These examples are sufficient to show that this is a general problem common to most large cities.

In New York, we also had a large influx of Puerto Ricans. According to the last estimate I have seen, there are now about 650,000 in the city. In other eastern cities, the Puerto Rican communities, though much smaller, are increasing rapidly. Here in the West, you have had a considerable influx of Mexicans. Both of these groups speak a foreign tongue and have a different culture.

Here is the crux of the problem. Those who moved out of the cities were, as a rule, members of the fairly prosperous middle class. They were replaced by poor people, unused to urban living, with comparatively little education and few skills, many of whom spoke foreign tongues. Thus the cities' expenses for welfare, relief, police protection, etc., all skyrocketed at a time when a large percentage of its wealthier citizens, who were best able to pay these added costs, were moving out to the suburbs. That this trend may continue unabated has become a nightmare for the leaders of many of our cities.

This mass exodus has also created serious problems in the suburbs. As the nearer suburbs became completely filled up, it became necessary for the mass developers to go farther and farther out to find tracts of open land. In the meantime commutation has been deteriorating and becoming much more expensive. Particularly in the East,

* August 23, 1957 and April 20, 1959

June 1960

a considerable number of commuter railroad lines have been discontinued and service on many others has been curtailed. For those who drive to the city, the traffic congestion is continually becoming worse despite the new roads that are being built. Thus, those who drive have to leave a little earlier each year and get home a little later than before. In addition, the taxes in these burgeoning suburbs have been skyrocketing. In many they are already considerably higher than for the same priced dwelling in the city. And they are increasing much faster. In the meantime, the open areas around these suburbs are being filled up so completely that there is often little difference between the outskirts of the city and the suburbs twenty miles farther out. The result is that the suburbanite is spending more and more money and more and more time to get less and less of the amenities he had hoped to gain by leaving the city.

So much for preamble. Now what evidence is there that the tide is turning in New York? Our social statistics are probably less complete and less exact than those in any other major field. Even the census, which is the rock on which most of our figures are based, for any one city can be off as much as 3%. And we only have that every ten years. Yet, as Dr. Griffin's fascinating talk demonstrated, by scrounging around it is often possible to unearth assorted sets of figures which, while they may mean little by themselves, when placed together will coalesce into a convincing picture.

Here's what we have. First there is the incipient taxpayer revolt in the suburbs as witnessed by the rapidly increasing number of school budgets turned down in Nassau and Suffolk counties. About three years ago New York State passed a law providing that, if three consecutive school budgets are turned down by the voters, the state is empowered to establish a contingency budget in that school district. This contingency budget is always an austerity budget. This law was adopted so that the schools would always be able to open in the fall. Here are the number of budgets turned down in Nassau and Suffolk in the past two years, the only years for which I was able to obtain data.

	1958-9 Budgets	1959-60 Budgets
Turned Down, First Vote	6	15
Turned Down, Second Vote	2	11
Turned Down, Third Vote	2	5
Contingency Budget Established	2	5

In this two year period, only nine contingency budgets were established in the entire state, and seven of them were in Nassau and Suffolk.

Nassau and Suffolk have been the two fastest growing counties in the New York area. Here many mass developments of the Levittown

type were built in the postwar years. The typical development of this type is a purely residential community peopled by couples in the same age group almost all of whom are in the process of raising families. In older communities there will be, on the average, about one child per house in the public schools at one time. In Levittown the average is three. The average cost per pupil in New York State was \$587 in 1958. At that rate school taxes would come to almost \$1,800 per house, if all the cost were paid locally. And these are small houses in the \$15,000 range.

This, of course is an impossible situation. Across the country political pressure has forced the adoption of some sort of state or local aid programs that pay a portion of the cost for these hard-pressed communities. Even so, these people feel bitter. They don't want to sell their homes but fear they may be forced to. They voted these budgets down not because they didn't want good schools for their children but because they simply could not afford the costs entailed. It doesn't take this type of news long to get back to the people in the city who are thinking of moving out.

Second, we have some interesting migration statistics. I have classified the migrants into four groups: (1) Young adults, both male and female; (2) Older adults whose families are grown up; (3) Families where at least one child is of school age; (4) Families where no child has yet reached school age.

Though there are no good recent statistics, there is general agreement on the net movement of the first two groups. On balance, the young adults have always moved into the big city to make their fortunes. The movement of the older adults whose families have grown up is more mixed. Most of those where the husband is still working will remain where they are but there will be some net movement from the suburbs to apartments in town. Among the retired people, most will remain where they are but there will be some net movement to rural areas or warmer climates. Both of these movements, though small, have probably been increasing. The increasing movement back to town will be discussed later. Though there are no recent figures available on the movement of retired people, after such a prolonged period of prosperity as we have had since the war, it appears logical to assume that increasing numbers can now afford to move to Florida or California when they retire. Nevertheless, the net effect of these movements is still small. The great bulk of the net migration takes place in the third and fourth groups.

When we turn to the married couples with children, we have better data. The New York Public School System keeps very complete statistics on the movement of pupils in and out of the public schools because of migration. The figures are plotted on Chart 1. The five school years 1950-51 through 1954-55

witnessed the peak of the outward movement. On the average there was a net outward movement of 10,982 pupils a year. In the most recent four years, however, the chart shows how this net outward movement has dropped sharply. In the last two years it has averaged only 2,569 per year. This represents a drop of more than 75% over the previous period. While the sharp decline in net outward movement of pupils is the most striking feature of this chart, analysis of the total numbers moving in and out is also illuminating. For instance, the number moving from the city to the suburbs has declined significantly in the past four years. Also the number moving from the suburbs back to the city, while still much smaller than the number moving out, has been increasing slowly but steadily throughout the past decade.

With couples all of whose children are of pre-school age, the picture is similar. Most couples are in their thirties when they buy their first house. By that time most of them will have at least one child of school age. After the war, however, the government made it very easy for veterans to buy houses with no down payment and at very low interest rates. Buying a house cost less than renting a comparable apartment, so many veterans took advantage of the program. In the late forties many of them bought older houses in the city or new houses in the outskirts of the city. After 1950, however, the city was so built-up that increasing numbers of them had to buy outside the city limits. Since many of these veterans had been married but a short time, during this period there was undoubtedly a considerable outmigration of families all of whose children were of pre-school age.

Only an approximate measure of the size of this group is available. That is the number of requests for Veteran Administration Appraisals. These data, available only for the entire country back to 1951, are plotted on Chart 2. The sharp rise in 1954-56 and equally sharp drop thereafter is not surprising. After the Korean War veterans returned, many of them used their veterans' privileges in the next three years. Unless and until another large group of veterans is accorded the same privileges, we cannot expect to approach the totals of those years.

The number of appraisal requests are not available for the city on a historical basis. However, the population of the city was about 4.7% of that of the country in 1955 and 4.5% in 1958. Thus, we could expect an average of about 24,400 requests from veterans living in the city in each of the three peak years (1954-56) and an average of only about 9,400 requests in each of the last three years. This represents a drop of over 60% from the previous period. While a great many of these veterans may have purchased houses outside the city, undoubtedly a large number purchased homes within the city limits. In addition, some of these requests may not have resulted in sales. Thus

these figures are useful only to show the upper limits of the possible migration due to this source.

While the exact level of migration represented by these figures is open to question, the marked change in trend is unmistakable. Thus, it is safe to state that, in the past three years, there has been a very sharp drop in the outward movement of the two groups who have, historically, made up the great bulk of those moving from the city to the suburbs.

Third, we have the trend of new residential construction. Since the per cent of New York City dwelling units vacant has been very low and has changed very little since 1950, these figures should prove a valuable check on the belief that the flight to the suburbs has slackened considerably in the past few years. On Chart 3 are plotted figures for both the United States and New York City. For the country the bars represent the number of non-farm dwelling unit starts compiled by the Department of Commerce. As you know, these are in large measure based on building permits issued. For New York City the figures are the number of dwelling units for which building permit applications were made.

The difference in trend between the city and country is striking. Though both started and ended high, residential construction in the nation was fairly stable throughout the decade while in New York City there was a sharp decline that lasted for most of the decade followed by an even sharper rise.

There are two drawbacks to these New York City figures. First, about 3% of building permit applications do not, on the average, result in starts. Second, since hearings are now being held on a new zoning code for the city, it is likely that some of the 1959 applications were made to get under the wire before the new zoning regulations go into effect. Accordingly, on Chart 4 I have plotted the dwelling units completed in the city in the same period. This trend is similar but dampened somewhat and delayed a year. About 70% of the units built in the decade were apartments and it takes about a year to complete a large apartment house. Therefore I have added the year ending June 1960. As you will note, completions are still rising in the city though starts have been receding in New York as well as the country, since the end of last year. For the year ending June 1960, completions were up 50% over the annual average for the years 1953-57, and still rising. For the country the increase over the same period was less than 20%.

While all five boroughs of the city have shared in the recent upsurge, in Manhattan the rise has reached boom proportions. Yet here most apartment houses are still completely rented before they are finished. Even more significant is the fact that virtually all of this recent rise in apartment construction in the

city has been in the high and medium rent categories. Since they are still renting readily, there is good basis for the belief that the flight of the better-off families to the suburbs has, at the very least, materially slackened. In support of this, several recent surveys by real estate firms show an increasing return flow from the suburbs to the new luxury apartments in Manhattan.

The migration figures kept by the New York Public Schools, the trend of Veteran Administration appraisals and the volume of new residential construction in New York City all make it appear probable that, in New York, the flight to the suburbs has slackened considerably in the past three years. Is this a permanent change or just a passing phase?

We have already noted that the comparative advantages of living in the suburbs have lessened considerably in the past decade and that the expenditures of both time and money necessary to live there have increased. As the suburbs become filled up farther and farther out from the city, there appears to be little likelihood that any of these trends will be reversed. Instead, they appear more likely to flow more strongly. The great apartment boom in New York, and especially in Manhattan, of the past year or more shows that the New York Real Estate leaders have sensed this trend and are gambling many millions that it will continue.

There are four additional factors that may accelerate the trend. First, Representative Mills has made the very cogent point that, with the present income tax law, since the war the apartment-dweller has been paying more than his share of income taxes while the home-owner has been paying less than his share. In other words, the apartment dweller has been subsidizing the home-owner.

In Congressional hearings last fall, several suggestions were made to correct this inequity. Representative Mills would like to reduce or eliminate many of the present exemptions and then to reduce the income tax rate so that the total government take would be the same. Two of the proposals were that the home-owner no longer be allowed to deduct the interest on his mortgage before computing his tax and that the home-owner be required to include the imputed rental value of his house in his income. Either of these proposals would increase the tax paid by home-owners, while reducing the tax rate would decrease the tax paid by apartment dwellers.

This is an election year, so none of these changes were made. Nevertheless, it is significant that Congressional leaders of both parties believe that the income tax law needs revision and that the present law contains inequities which favor the home-owner and penalize the apartment-dweller. Some revision appears sure in the next few years. Whenever changes are made, we may expect them to make living in an apartment in the city more attractive and living in a house in the suburbs less attractive.

Second, part of the reason for the flight to the suburbs after the war was undoubtedly because it was the accepted thing to do. As it becomes less attractive financially, it is quite possible that the fashion may change. With a dollar advantage as a lever, it is quite conceivable that it may become fashionable to live in an apartment house development which has its own swimming pool, recreational area and perhaps a marina - something like the present Levitt House development in Queens. Should this type of living replace the house in the suburbs as the accepted ideal of the upper middle class, then the return flow to the city could reach sizeable proportions.

Third, is the seldom-mentioned but very important cause of much of the out-migration from the cities, - the desire for segregated housing and schools. I have already discussed the great postwar influx of negroes to the cities of the North and West. We in New York, as do also you in the West, pride ourselves on our comparative lack of racial prejudice. But it's only comparative. Undoubtedly a great number moved to the suburbs because Negroes or Puerto Ricans were beginning to move into their neighborhoods.

To anyone interested in this subject I recommend very strongly the third volume of the recent New York Metropolitan Region study entitled "The Newcomers." It is extremely well-thought-out and well-written. While Dr. Handlin is discussing the Negro and Puerto Rican problem in New York, a great deal of what he says applies equally well to any large city which has had a recent influx of either of these groups.

As they move up the economic scale, Dr. Handlin expects both of these groups gradually to spread out through the metropolitan area. As the 1960 Census will show, this process is already well along in the New York area. As it continues, there will be less and less reason to move to the suburbs in an attempt to escape these groups. Eventually, the desire for segregation may even lead some to return to the city. It is far easier to avoid someone in the next apartment than someone whose back yard adjoins yours. Should this return movement develop, it should start sooner in New York than in most of the other large cities of the North and West. Since the Negro community in New York is comparatively old, its members have had greater opportunities to move up the economic scale.

Fourth is the changing age composition of the population. Between now and 1970, the number of persons in their thirties will decline. This is the result of the low birth-rate in the 1930's. On the other hand, the number of those in their twenties, those born in the 1940's will increase sharply. As a rule, young couples in their twenties start out in an apartment. Later, in their thirties, they are likely to buy their first house. Since most apartments are located in the cities, this unsymmetrical age distribution should prove to be a significant factor in slowing the trend to the suburbs during the next

decade. After that, it will have the opposite effect.

Now to sum up. The forces that have already led to a slackening of the flight to the suburbs should become even stronger in the future. In addition, four new forces pushing in the same direction seem likely to develop. On the other side of the ledger, only one new factor appears likely. Public pressure is almost certain to result in increased Federal and State aid for education. This will lighten the school tax burden now pressing on the suburbanite. Yet this aid, however necessary and welcome, can only be a palliative. School taxes in the fast-growing suburbs will still be very high.

So far I have been painting what looks like a very black picture for the suburbs. Let me hasten to explain that I have been looking at the suburbs exclusively from the viewpoint of one who works in the city. For those who work in the suburbs, they will still be a very attractive place to live. The suburbanite who works nearby avoids both the high commutation costs and the increasing travel time to which the suburbanite who works in the city is subjected. Since job opportunities have been expanding rapidly in the suburbs, we can expect them to continue to grow rapidly.

This brings us to the question of whether the flight to the suburbs will continue or even increase because job opportunities in the cities diminish as industry moves out to the country. This is a broad subject in itself and far beyond the scope of this paper. Fortunately, it has already been made for the New York area. In the ninth volume of the New York Metropolitan Region Study, to which I referred earlier, Dr. Vernon makes projections of employment in the city. While the book is only due to be published next December, Dr. Vernon sent me a draft copy. In it he estimates that the total number of people employed in New York City will increase by over half a million in the next quarter century. In the case of New York, therefore, we can dismiss

the fear that lack of job opportunities will cause the flight to the suburbs to continue.

Now, what about the other large cities? Most of the developments I have covered will apply to some extent to them. And the larger and more geographically restricted the city, the more are they likely to apply. Geographical restrictions, by limiting the territory into which a city can expand or by increasing the time and cost of reaching the surrounding area, have the same effect as increasing the size of the city. San Francisco is an excellent example. Though, so far, the Census people tell me they have noticed no signs of a slackening of the flight to the suburbs, it should not be many years before some signs appear in such cities as Chicago, Los Angeles and San Francisco.

In the smaller cities, the situation is different. In many of them it is still possible to get from the middle of town to fairly open country in half an hour or less. In this automobile age, we can expect the flight from these cities to continue unabated and, perhaps, even to accelerate.

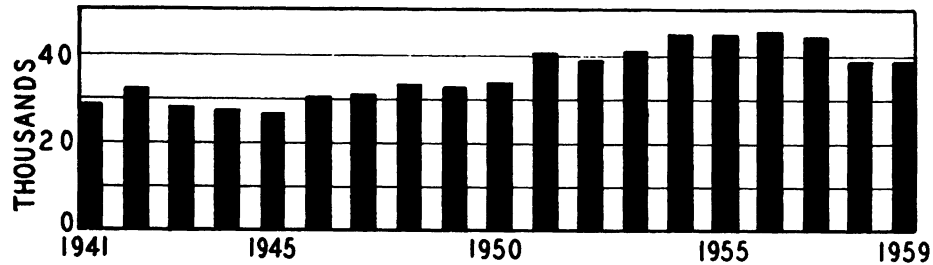
Here a caveat is in order. Though logic might indicate a slackening in the flight from the big cities to the suburbs, it may never occur unless living in the cities can be made more attractive. I have devoted considerable attention to the decline of many of the advantages which the suburbs formerly had. Nevertheless, there are a number of conditions prevalent in the big cities which were the direct cause of much of the flight to the suburbs. I will mention only the incidence of crimes of violence in the cities. Of course crimes are committed in the suburbs too, but the fact remains that, and with good reason, many people do not feel safe on the streets of our big cities after nightfall. At present, many people are disillusioned with both city and suburban living. They may still choose suburban living as the lesser of two evils. If the cities hope to benefit from the filling up of the more convenient suburbs, they must first put their own houses in order.

CHART 1

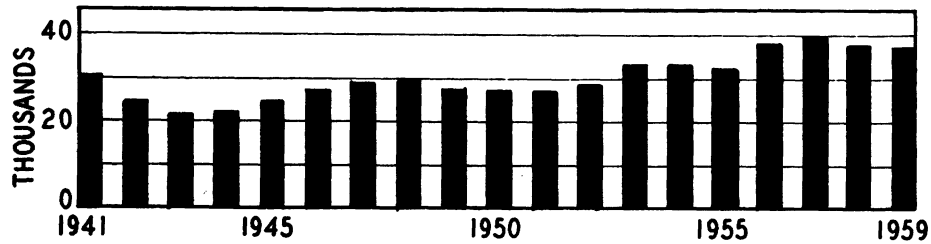
MOVEMENT OF PUPILS IN AND OUT OF THE NEW YORK CITY PUBLIC SCHOOL SYSTEM*

(YEARS ENDED JUNE 30)

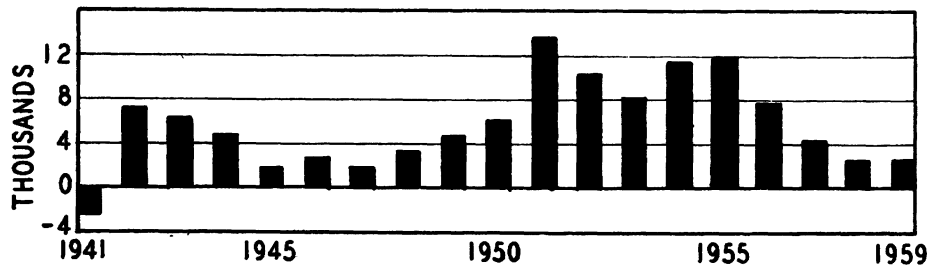
TOTAL NUMBER MOVING OUT



TOTAL NUMBER MOVING IN



NET MOVEMENT OUT



* BECAUSE OF MOVING ONLY (EXCLUDING INTRA-CITY MOVES)
DOES NOT INCLUDE THOSE LEAVING BECAUSE OF GOING TO WORK
OR FINISHING HIGH SCHOOL.

CHART 2

NUMBER OF REQUESTS FOR VETERAN ADMINISTRATION APPRAISALS (TOTAL UNITED STATES)

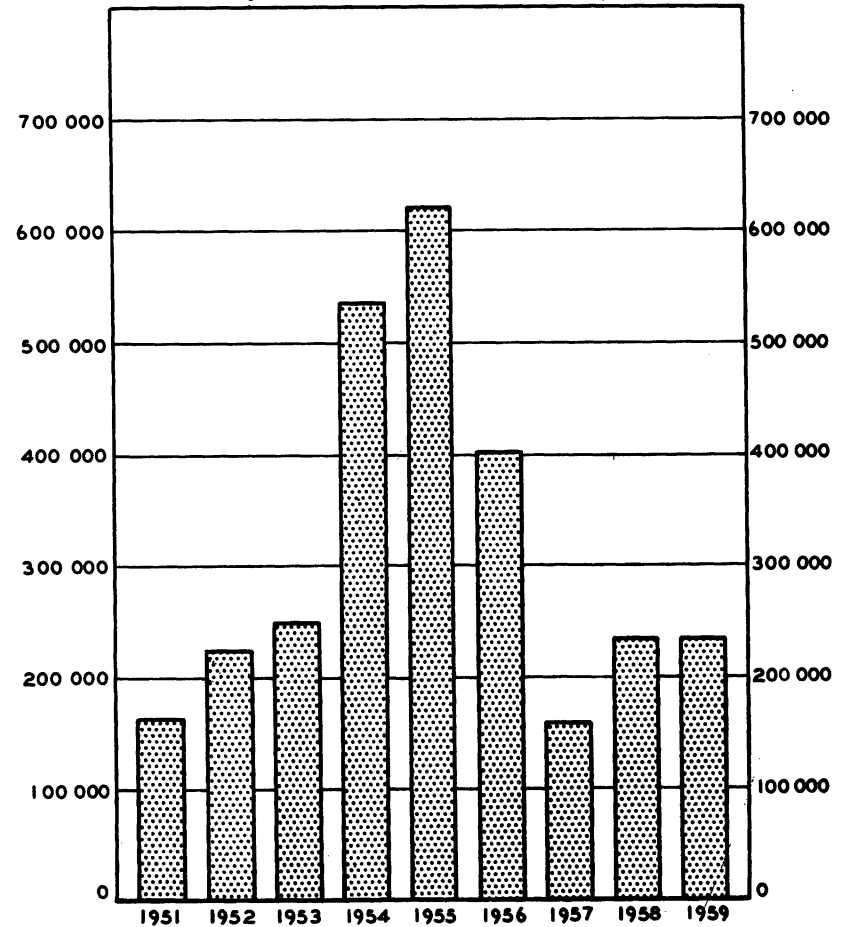


CHART 4

NUMBER OF DWELLING UNITS COMPLETED (NEW YORK CITY)

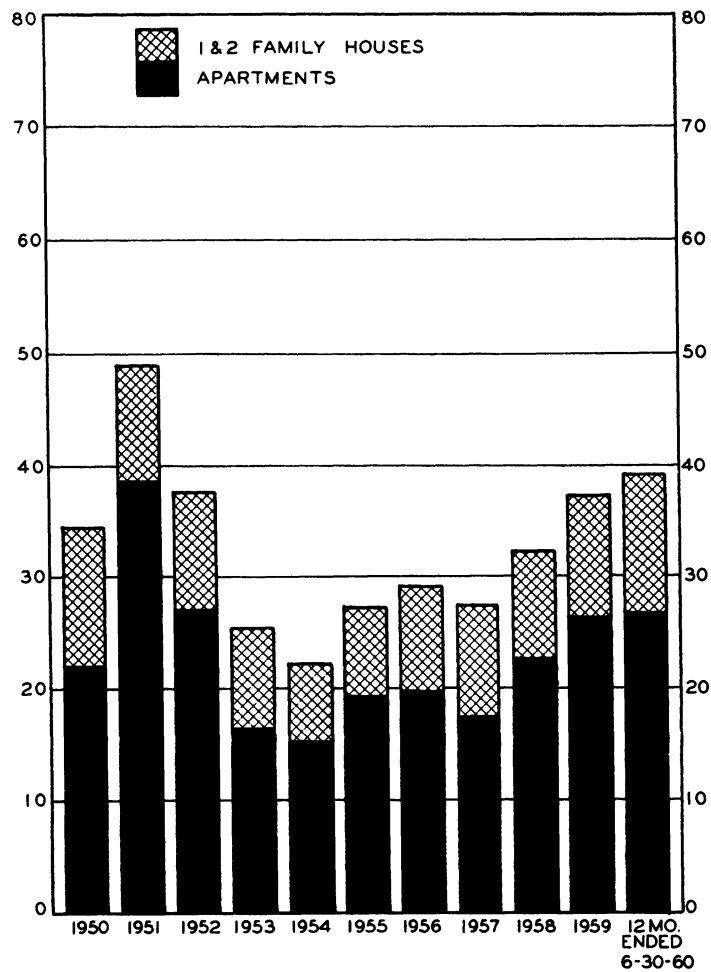
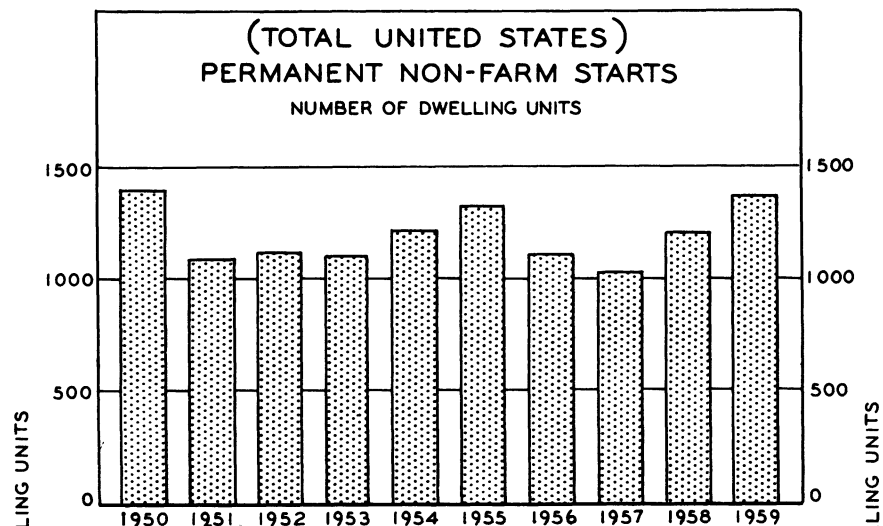


CHART 3

(TOTAL UNITED STATES) PERMANENT NON-FARM STARTS NUMBER OF DWELLING UNITS



NEW YORK CITY BUILDING APPLICATIONS FILED NUMBER OF DWELLING UNITS

