

S6E4: Whitening the Middle Class

Lindsay Foster Thomas: This episode includes the *n* word. I ***[bleep]***ing hate that word! But unlike the profanity I just used, we did not bleep it in this episode. That's because it's pivotal to a story you'll hear later. But you can find the censored version of this story at our website: ways-and-means-show-dot-org.

Okay, here we go.

News Archive: Throughout the world, throngs of people hail the end of the war in Europe. Now the war against Germany is won.

News Archive: At the end of a five-day trip from England – the Queen Elizabeth, world's largest ocean liner, pulls into New York harbor. Aboard are almost 15,000 happy GIs, jamming every square inch of deck space for a look at the USA. These are the guys who helped win it for us against the Nazis and the entire nation welcomes them home.

Lindsay Foster Thomas: You can learn a lot about a nation from the way it treats its veterans.

American GIs were welcomed home to much fanfare after winning the second world war in Europe. But how servicemen and women were rewarded for their service – was very different depending on whether you were Black or white.

William “Sandy” Darity Jr: I think every time Black men serve in the military and serve with honor and serve in a way that actually helps preserve the United States, they have an expectation that they're going to be treated with greater fairness and equity after the war ends.

Kirsten Mullen: Absolutely.

William “Sandy” Darity Jr: And that never appears to be the case.

Lindsay Foster Thomas: Those voices belong to William “Sandy” Darity Junior and Kirsten Mullen – our guides through this podcast series as we examine policies that helped create and maintain the racial wealth gap that exists today.

Sandy is a professor at Duke University. Kirsten is an arts consultant and folklorist. Together they wrote *From Here to Equality, Reparations for Black Americans in the Twenty-First Century*.

Kirsten Mullen: But, you know, Black veterans could see that white veterans were benefiting from these programs. They were coming away with mortgages, they were coming away with tuition and stipends, and they were being turned down.

Lindsay Foster Thomas: Home from war – with hopes high that things will be better than before.

(Music)

This is the ARC of Justice – a miniseries on race and wealth from the Ways & Means podcast. I'm Lindsay Foster Thomas. Today: the GI Bill. How a newly minted benefit program was implemented in an unequal manner right from the start. And how that inequality continues to cause economic consequences today- for American families, both Black and white.

Eugene A. Burnett: My name is Eugene A. Burnett. I am 91 years old. I was in the Ordnance Corps of the United States Army, and I am now chairman of the 9th Ordnance Training Battalion, out of Aberdeen Proving Ground; these are veterans, who, we stayed together sharing our stories and our experiences.

Lindsay Foster Thomas: Gene Burnett was just a teenager when he enlisted right around the end of World War II.

Eugene A. Burnett: I grew up in East Harlem. It was an integrated neighborhood at that time. They call it Spanish Harlem now. It's the same neighborhood that Cicely Tyson grew up in. Her brother and my older brother were friends.

Lindsay Foster Thomas: Now, Gene admits he was spending too much time running the streets. He was looking for a change. The military did change him, just not in the way he'd hoped. He remembers being shocked when he was placed in a segregated unit – all Black. But when it was time to work, a white private first class was put in charge.

Eugene A. Burnett: The Army really bruised me emotionally with the racism that I found in the service. I was startled by that. I knew there were individuals who were racist, but to come face to face with institutional racism was something else. That was difficult. It's a terrible thing to put a man in your Army and ask him to fight for you and you're waving the flag in front of him and tell him all these beautiful things about the land of the free, and the home of the brave, and then you put them in your Army, and you call them a nigger.

Lindsay Foster Thomas: The story that sticks out most clearly is the time he was accused of blindsiding a fellow soldier and hitting him. Now there was no evidence that Gene did this, and firm proof that he couldn't have done it, but the white commanding officer gathered all the Black soldiers together, and insulted Gene and the rest of his unit, saying Uncle Sam didn't need them. It was that commanding officer who called him – well, you heard what he called him.

Eugene A. Burnett: But that that we were learning as northern kids, we were learning that that was the world we were entering into. And it wasn't pleasant.

Lindsay Foster Thomas: Despite the pain and trauma he faced due to racism in the military, Gene's service made him eligible for a golden ticket of sorts -- access to benefit from the Servicemen's Readjustment Act of 1944. Better known as the GI Bill.

Thanks to the GI Bill, World War II veterans gained access to a slew of aid and assistance including low-interest mortgages and college tuition.

Archival Film Recording: In the white house at Washington, President Roosevelt approves legislation to provide for America's War veterans in the peace to come. By law, federal loans, free schooling, job insurance and complete rehabilitation are among the benefits assured every man and woman in the service...

Lindsay Foster Thomas: The GI Bill was an extraordinary social program. Here's Deondra Rose, a faculty member at Duke. She teaches public policy, political science and history.

Deondra Rose: The GI Bill has been described as the policy that worked. It's heralded - has been heralded - as one of the major accomplishments of social policy in the United States that really did alter society, alter the course of society by helping to build a middle class.

Lindsay Foster Thomas: At its inception, the GI Bill reached 80% of men born in the 1920s. That's 16 million people.

But although the GI Bill elevated citizens to the middle class, it wasn't applied equally. This is written about extensively in a book that Kirsten and Sandy highly recommend. It's called *When Affirmative Action Was White* by Ira Katznelson. Scholars like him argue there was no greater instrument for widening the racial wealth gap after World War II than the GI Bill.

Deondra Rose: You know, the history is really it's really clear, you know, as a powerful example of structural racism and structural inequality, how you have policies that are creating the disparities that we see.

Lindsay Foster Thomas: The GI Bill came about for a very specific reason. The government didn't want to repeat mistakes made after World War I.

PBS Documentary: In the summer of 1917 at docks up and down the eastern seaboard, thousands of American soldiers boarded ships bound for France. They were the vanguard of a new American army about to enter the most destructive war the world had ever known.

Deondra Rose: When veterans came home from World War I, there was very little in terms of social support to help them reintegrate into society. So, there are these interesting stories of veterans coming back and they were homeless, and they were living on the streets selling apples and pencils because they couldn't find jobs, or they couldn't find support in terms of health care or other things that they needed to become more or reintegrated into society.

Lindsay Foster Thomas: And for Black veterans returning from the Great War – the problem was magnified.

Adriane Lentz-Smith: After World War I, you had a number of young men who were let's I mean, let's just say scarred, right? Scarred from horrific wartime experience or if not scarred, exhausted and feeling strongly deserving of accolades, of jobs, of resources, of all kinds of things, because they had done difficult and brutal labor on behalf of their country.

Lindsay Foster Thomas: This is Duke historian Adriane Lentz-Smith. We've heard from her before in this series. She wrote a book about Black soldiers in World War I.

Adriane Lentz-Smith: The First World War had been framed as a war for democracy by Woodrow Wilson. African Americans heard in that something that Wilson didn't actually mean, which was that a war for democracy meant furthering and defending democracy at home as well.

Lindsay Foster Thomas: Black servicemen, often from segregated communities, left the US to fight in Europe. They won the First World War and returned to a country that continued to mistreat and discriminate against them. Their sacrifice was not taken into account. In fact, a new conversation was happening.

Adriane Lentz-Smith: White Americans were really concerned about Black people's rising expectations and their -- what they anticipated being a rising militancy, because, as one segregationist senator said, "How do you put guns in a Black man's hand and tell them to go out and kill for democracy and not think that's going to have some sort of reverb effect back --- back in his home, in his home places?"

Lindsay Foster Thomas: Okay. You got Black World War I vets coming home seeking equal rights and you have white supremacists wanting to deny those rights. Tensions had to reach a boiling point. Riots broke out in cities across the country. Men were lynched, some killed in uniform. It was so bad, it got a name, the Red Summer of 1919.

The United States was not having that again. So, two decades later, at the end of World War II -- US policymakers decided to be very intentional with the returning GIs, at least economically.

Vintage Film: Because in Washington, there were a group of Congressmen with long memories who were in the last war, they knew that when a man gets out of the Army, or Navy or Marines, he's worried most about a job, an education, and a home, and that's why Congress, led by the President, passed a law, the Servicemen's Readjustment Act of 1944, better known as the GI Bill of Rights...

Deondra Rose: And so, lawmakers, they said, OK, this time around we're going to come up with a program that will prevent - that will do a lot of different things, including preventing the flooding of the labor market as GIs return home and they're looking for jobs.

Lindsay Foster Thomas: On paper, the GI Bill was race neutral. Here's Deondra Rose again.

Deondra Rose: The problem, though, was that the GI Bill was crafted in a way that was intentionally formulated to maintain the racial order of the South in particular.

Lindsay Foster Thomas: Intentionally formulated? Here's what happened:

Deondra Rose: One of the framers of the GI Bill was this this representative. He was the chair of the House Committee on world war legislation. His name is John Rankin from Mississippi. And he was a racist, like he was just an unabashed racist. And after World War I, when lawmakers, they had provided some support for the families of veterans. And they noticed that when they provided that support to Black families -- the Black women and Black kids -- were less likely to take on like demeaning domestic roles in households and to work in the fields.

And so, he had this in mind when he was crafting the GI Bill. He was like, "Yeah, we're not going to do that again and just disrupt the Southern order of things. We're going to create a policy that is administered at the state and local level. Because that's going to be the way, you know, if we have it done in Washington in a way that's going to be truly equal, we might mess stuff up in the South. But if we provide these benefits and then send it to the state and local governments to administer, then we won't make waves when it comes to the racial order of things down there." I feel like the GI Bill's administration was an example of that very sort of white supremacist policy implementation.

Lindsay Foster Thomas: And Congress approved that plan.

The choice to allow local implementation of the benefits-- that was huge. Imagine you're a Black man from Mississippi -- you've returned from World War II and you want to use your educational benefits -- you're the first in your family to leave sharecropping and get an education. You learn a tough lesson. It's not enough to have the funds to go to college. First you have to be admitted.

Deondra Rose: Black veterans had to find institutions that would admit them and that could accommodate them. And so most historically white colleges were very slow to do so. That was especially true in the South, many did not do so.

Lindsay Foster Thomas: Many colleges were racially segregated. And if they did accept Black students, there were quotas limiting Black enrollment; colleges would determine how many Black veterans could use the GI Bill at their institutions. Here's Kirsten Mullen and Sandy Darity.

Kirsten Mullen: In Mississippi, for example, where more than 50% of the population was Black, seven out of 33 schools accepted Black students. In Tennessee, eight out of 35 accepted Black students. Alcorn State in Mississippi, which was a flagship school, only had 400 slots. You know, there were many veterans who were hoping to take advantage of this opportunity, we're talking about one million people, but there simply weren't spaces for them. There weren't seats for them in these schools.

William “Sandy” Darity Jr: And even if Black veterans were allotted support for college education, because of segregation in higher education, their options were limited to the historically Black colleges and universities, and they did not have an adequate infrastructure to meet the full demand for all of the returning Black veterans who were interested in pursuing higher education. They didn't have enough spaces. They also did not necessarily have an adequate curricular content to provide the returning Black veterans with the kind of educational experience that would have been consistent with pursuing a bachelor's degree.

Kirsten Mullen: Another thing too, they didn't have dormitories! They didn't have sufficient dormitory space to house these Black veterans. And it's not like they could just move into, you know, student apartments. You know, in town they didn't exist. They didn't have the labs. They didn't have the equipment, the textbooks, the personnel. I mean, the Black schools had been created initially as trade schools. The idea was to prepare these Black people to work in the homes of whites. You didn't have in 1946 a single Ph.D. program at a Black college or university. There was no certified engineering program at a Black school in 1946. So, you've got these people who are coming back to United States who have these skills. They have experience. They have confidence in their ability to do the work.

William “Sandy” Darity Jr: They have motivation.

Kirsten Mullen: And they have motivation. And their, doors are being shut in their faces at every turn.

Adriane Lentz-Smith: We talk about this as a sort of broad reaching social advancement that gave opportunity to a wider swath of Americans than had ever received that opportunity before. But we leave out the part where African Americans were deliberately set aside or sort of pushed out of that.

Lindsay Foster Thomas: Adriane Lentz-Smith says the history is clear when it comes to inequality and the GI Bill. It's yet another example of a time in American history when white people got a boost. A big boost.

Adriane Lentz-Smith: That boost wasn't available to all people in the same way. The government provided extra resources for many, many, many white Americans and very few Black Americans. And again, somehow in the forgetting the way that this happened, folks now erase that. It should have been implemented differently and it shouldn't have been left to the states to implement because the state had over and over and over again shown themselves to be untrustworthy with many of their residents and citizens' well-beings. And so, if African Americans have to go to, you know, their white neighbor who is committed to defending Jim Crow to get this fund, it's really easy for those neighbors, those townspeople, those folks who are in charge of disbursing GI Bill funds to just turn them away.

Lindsay Foster Thomas: And this is why, thanks to the GI Bill, many white people soared to the middle class, and many Black people did not.

William “Sandy” Darity Jr: There's a tendency that has been somewhat widespread to assert that Black people lack motivation or not interested in educational attainment and the like. And it's really ironic that the capacity to exploit Black people is precisely a consequence of the fact that they have been highly motivated to pursue additional training and education. And and because they are doing so in an environment where they're subject to discriminatory treatment and restricted options.

Lindsay Foster Thomas: Sandy Darity adds that it wasn't just education – let's say you're a Black man, and you have somehow been able to use your GI Bill to get an education despite these obstacles – that still wasn't enough to guarantee a comfortable life.

William “Sandy” Darity Jr: So, if, if they made it through all the tight turnstiles and they got their college degree or they got a more advanced degree, they would not receive the same pay off as whites due to employment discrimination. They didn't have the same odds of getting a job, especially a job that was commensurate with the credentials that they'd earned. And they certainly didn't have the same odds of receiving pay that was comparable to that, that the white veterans who had received or earned similar degrees got. And in fact, if we think about it very carefully -- the 1940s and the 1950s are a period in which job advertisements explicitly indicated that Blacks need not apply or only whites should apply for the positions that are being offered. And it was entirely legal in that period of time to have advertisements that were explicit in designating who they were for on racial grounds.

Lindsay Foster Thomas: So, say now you see the writing on the wall, and you don't use your GI Bill benefits to go to college – you might say to yourself, “Okay well, the military is helping people find jobs, I'll use that service.”

Kirsten Mullen: In Mississippi, in October 1946, 6,500 former military personnel were placed in non-farm jobs. Eighty-six percent of whites were placed in semi-skilled or skilled jobs, and 92 percent of Blacks in unskilled jobs.

Lindsay Foster Thomas: Alright, let me just run that back. **86%** of whites got the **skilled** jobs – **92%** of Blacks got the **unskilled** jobs. Black veterans were playing a game that was unwinnable – the field was uneven. And these obstacles have had a lasting impact.

Sandy Darity says since the 1950s when we began to collect statistics on unemployment by race, the Black unemployment rate has always been two times the white unemployment rate -- - at all levels of education --- and barriers like those associated with the GI Bill are part of the reason why.

Many Black veterans returning home from World War II had a dream of a better life. Gene Burnett's dream looked like a sweet little suburb far away. This dream community had a name: Levittown.

Archival film: Five years ago, this was a vast checkerboard of potato farms on New York's long island, today, a community of 60,000 persons living in 15,000 homes, all built by one firm. This is Levittown, one of the most remarkable housing developments ever conceived.

Eugene A. Burnett: And I saw this ad for Levittown in the daily newspaper.

Lindsay Foster Thomas: Gene was only twenty when packed up his car - a 1942 Chrysler Windsor - solid and dependable. He made the trip to Levittown with his fiancée and another former serviceman. When they got there, Gene was going to use his GI Bill to buy a house.

Eugene A. Burnett: We finally found Levittown and we went in and what we came from was iceboxes, not refrigerators and scrub boards and so forth. And we walked into this house in Levittown that had an, a electric washing machine for clothes, an electric stove and everything. And it was very exciting.

So, I walked up to the salesman after we looked around and I said to him, I'm very interested in your homes and is there an application, I'd like to see if I can purchase one. And he said to me, he looked at me and he paused and said, listen, it's not me, but the owners of this development has not yet decided to sell these homes to Negroes. And that was a shock. I mean, I thought that those kinds of things happened in the South, I never thought or expected that to happen in New York. That was very devastating.

William "Sandy" Darity Jr: This was not a consequence of an individual real estate salesperson having some type of personal animus towards Black people. This was a question of a set of policies that were put in place and were maintained and supported by the complicity of the federal government.

Kirsten Mullen: Exactly. Which is how you end up with a situation in New York and the northern New Jersey suburbs, where less than 100 of the 67,000 mortgages insured by the GI Bill went to Black homebuyers. We know that a development on a scale of Levittown and there were there were numerous Levittown developments across the country -- that kind of enterprise, that level of enterprise -couldn't happen without government support. The federal government stepped in and provided mortgage insurance, it helped to keep low interest rates available for those homeowners. It cleared the way for permitting for the land itself, because these were humongous developments that absolutely, transformed the landscape in this country.

Lindsay Foster Thomas: So, developers were allowed to accept government support, but discriminate on who they sold to. And the government played a direct role in allowing this. Gene's dream was crushed, and his heart was broken.

Eugene A. Burnett: Absolutely, it's bothered me in the same way that the government was treating me while I was in the service. To have your government doing that to you, institutional racism, it's very hard to deal with.

Lindsay Foster Thomas: Gene had limited options on where to buy. He ended up in an all-Black neighborhood where he lived for a decade. He calls it the most satisfying time of his life – he loved living with other Black professional families. But he’s quick to add that being banned from Levittown had consequences.

Eugene A. Burnett: Yes, it hurt economically – absolutely. First place, the Levittown homes were better homes than the homes we eventually moved into that were open to Blacks. The Levittown house is a better house. You had peaked roofs, and it was just it was a better -- a better house for your money.

Lindsay Foster Thomas: See, Black veterans might not have known it at the time, but that economic pain would last generations for some of their families. Take Gloria Ladson-Billings. Her parents tried to buy a house in a different Levittown community, in Pennsylvania. The house was perfect, \$8,000 dollars and because her father was a World War II veteran, he qualified for a zero dollar down payment loan with \$60-a-month payments. Even more perfect. But they weren’t able to buy the house because of clause 65 in the deed which stipulated only white people could live there.

Like Gene Burnett, Gloria’s parents were able to buy another house in a Black neighborhood – also for \$8,000 dollars. Same sale price, but...

Kirsten Mullen: Today the Ladsen-Billings family house is valued at \$93,000 dollars and the value of that Levittown house is a whopping \$565,000 dollars.

Lindsay Foster Thomas: That’s almost half a million dollars that the Ladson-Billings family missed out on because of the color of their skin, and government policies that enabled discrimination.

The bottom line is Black veterans were blocked access to the homes they wanted and education that would allow them to get better jobs and build bigger bank accounts. And so, these former soldiers couldn’t pass down as much property or money as their white counterparts – who scored big thanks to GI Bill benefits.

The GI Bill was their right -- for serving their country.

Adriane Lentz-Smith: When Black people ask for help, now, its welfare, right, it's -- it's this expectation that someone will do something for you. When white folks got the help after World War II, it was something that they earned. The fact of the matter is, everybody earned it, but only white folks got it.

Lindsay Foster Thomas: Okay, at this point in the series, you have probably noticed I keep returning to the same point over and over again, that the biggest contributor to immense wealth gap that we see today between Black and white American is the US government. The GI

Bill is just the latest example we're using to illustrate this alongside the Homestead Act and discriminatory federal housing policies like redlining.

Sandy Darity's work as an economist has proven time and again how American policies crippled Black people economically. And so, listen up when he says this.

William "Sandy" Darity Jr: The GI Bill was administered to target Black veterans for exclusion from its benefits, but Justice demands that Black Americans be targeted for compensation for the harms produced by their exclusion.

Lindsay Foster Thomas: Compensation. Coming soon on The Arc of Justice. Next time on the show:

Male voice: The shrieks and screams of children, of mothers, of wives were heard, such as cause the blood of the most inhuman person to creep.

Female voice: And they were told basically, you know, you get out of here, you never come back or we're going to kill you.

Lindsay Foster Thomas: White violence: how extremist mobs in cities and towns across the country have caused the destruction of thriving Black businesses and economies time and time again.

The ARC of Justice: Moving from Here to Equality is a series from the Ways & Means podcast from Duke University's Sanford School of Public Policy. The series is co-produced by North Carolina Public Radio WUNC and Duke Professor William Darity Junior and folklorist and arts consultant Kirsten Mullen. Their book is called *From Here to Equality: Reparations for Black Americans in the 21st Century*.

We have lots of resources at our website – waysandmeansshow.org - including links to the books and articles that we reference, as well as episode discussion guides. That's waysandmeansshow.org.

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Until next time, I'm Lindsay Foster Thomas.