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Don't create new ghettos

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The indigent families of the Gulf Coast have suffered a natural disaster and a series of man-made disasters, but there may be more yet to come.

On Thursday night, President Bush outlined a series of policies to create opportunities for the poorest residents of the Gulf Coast. Unfortunately, he didn't address the central FEMA project currently under way: a massive plan to put the indigent families displaced by Hurricane Katrina into hundreds of thousands of mobile homes throughout Louisiana, Mississippi, and Alabama.

We don't yet know exactly how many families were displaced by Hurricane Katrina, but we do know that the number is staggering. We also know that in too many cases these families were already poor, with limited economic and educational options. Today, they are literally warehoused with not much more than the clothes on their backs.

Americans around the country are horrified by the plight of their brethren and are demanding a near-term solution. Behind closed doors, however, political leaders of both parties worry that these concentrated populations of displaced families will explode into chaos.

To solve this problem, FEMA is turning to mobile homes. The agency expects to assemble roughly 300,000 mobile home units in the coming months, grouped into trailer parks.

Although FEMA's sense of urgency is appropriate, this solution is shortsighted - and, indeed, ignores the experiences of a half-century of experimentation with public housing.

Originally, public housing "projects" were designed to be inexpensive and transitional housing for poor families. In practice, however, these projects turned out to be anything but cheap or temporary, with residents instead mired for generations in dangerous, desperate living conditions with exceptionally high rates of unemployment and crime.

By engaging in large-scale public engineering without forethought, we risk making the same expensive mistake today. These "temporary" trailer parks probably will prove permanent, and the hundreds of thousands of mobile homes will become our newest ghettos -- isolated from the jobs, transportation, education and other social services that people will need to get back on their feet.

We can do better.

America has millions of vacant rental units -- nearly 3.7 million, according to the Census Bureau. We can make at least some of those available to the displaced families of the Gulf Coast if we take several steps.

First, we should create two-year housing vouchers that exceed the average national monthly rental costs of \$678 per month (\$1,000 per month would enable relocation to larger urban centers).

Second, we should make \$200 transportation vouchers available to each member of any families willing to relocate. This amounts to \$800 for the average family of four.

Third, national leaders should work directly with housing intermediaries to ensure that latent discrimination doesn't prevent these families from accessing the housing markets. (A study recently released by the Federal Reserve found that African-Americans and Hispanics were far more likely than whites to get high-cost mortgages.) Brokers and property owners can be persuaded to participate in this program if the federal government guarantees two years of rental income.

Finally, we need to make this offer, and the available rental units, available to the displaced families of the Gulf Coast through a centralized outreach program using the latest technology tools.

If 100,000 families take advantage of this offer, the total cost would be roughly \$2.5 billion - well within the scope of investments anticipated for this effort, but with a more positive and lasting impact than other approaches.

The president was right to invoke the language of opportunity.

Decisions made today will be with us for decades. Now is the time to put our values of self-reliance and opportunity into practice by enabling poor families to relocate and integrate into fully functional communities rather than creating new ghettos.

To be sure, no government program will guarantee happiness and prosperity for the families that have suffered so much. But if we learn from the lessons of the past, integrating displaced families into pre-existing communities instead of new isolated communities that unintentionally impose new barriers to opportunity, they will have a fair shot. In the wake of so many tragedies, we can at least offer that hope.

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