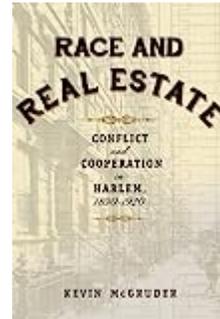




**Kevin McGruder.** *Race and Real Estate: Conflict and Cooperation in Harlem, 1890-1920.* New York: Columbia University Press, 2015. 296 pp. \$50.00 (cloth), ISBN 978-0-231-16914-1.



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## White Ethnics and Black Capitalists: Exploring Racial Diversity in Early Harlem

In *Race and Real Estate: Conflict and Cooperation in Harlem, 1890-1920*, historian Kevin McGruder offers a revisionist take on the creation of Harlem as the center for black life in the United States. McGruder challenges the ghetto formation model of such historians as Gilbert Osofsky, Allan Spear, and Kenneth Kusmer. This model suggests that black enclaves were created through white resistance followed by panicked selling, leading to the overcrowding and the social ills that characterized African American neighborhoods by the 1930s. By taking an in-depth look at real estate transactions in Harlem between 1890 and 1920, McGruder instead suggests that the formation of black enclaves in New York and possibly elsewhere was much more complicated than a simple dichotomy of white resistance and black invaders.

*Race and Real Estate* challenges the previous literature in three important ways. In the first instance, McGruder finds that between 1890 and 1920 there was a small but significant group of Harlem whites who were both willing to live alongside and, perhaps, more important, to sell blacks property at reasonable rates and fi-

nancing. McGruder argues that the ethnic diversity of white Harlem has been overlooked. In German immigrants and their children, such as the department store owner Henry Koch, he finds a greater degree of racial tolerance than previously recognized. The lack of solidarity between whites prevented a strong restrictive covenant movement from taking hold and accounts for the relative lack of racial violence in this period. While McGruder admits that some whites did attempt to defend their turf from the so-called black invasion, they were left without important white allies due to Harlem's ethnic diversity.

A second key revelation in *Race and Real Estate* is the extent and purpose of black property ownership in the decades prior to the Great Migration. While the black real estate developer Philip Payton and his partner James Thomas are covered by Osofsky in *Harlem: The Making of a Ghetto* (1968), McGruder's analysis of their business deals demonstrates that this was not a sell-off by panicked whites. With the arrival of the subway in 1904, property values moved beyond the means of everyday individual purchasers and now required significant cap-

italization either by wealthy individuals or in organizations like Payton's Afro-American Realty Corporation. By looking at the real estate transactions of Payton and others, McGruder reveals that these were the result of long and complicated negotiations that produced mortgages on relatively favorable terms. This becomes most clear in the fourth chapter, in which he examines the purchase of church properties. Wanting to save face and not raise the ire of their declining congregations, white churches in Harlem entered into protracted negotiations that saw them sell their property to a white intermediary who then flipped the property to a black congregation.

Lastly, black ownership did not lead to favorable terms for tenants. Although black ownership rates were only 2 percent of Harlem's apartments and despite calls for racial solidarity, black landlords participated in the same price gouging as their white counterparts. African Americans frequently evicted white tenants with the aim of renting to blacks at higher rates. With limited housing stock available to them, African American tenants faced higher rents no matter their landlords. Interestingly, McGruder suggests that while rents were higher than in the past and the perception was that tenants were gouged, rents did not keep up with inflation. Landlords' white and black were making rational economic decisions.

*Race and Real Estate* is not without flaws. According to McGruder, Harlem is unique for its white ethnic diversity. He argues that places like Chicago and Detroit had less ethnic diversity and therefore more white solidarity. This is hard to believe. In 1893, a Wisconsin woman described Chicago as "worse than the confusion of tongues at the Tower of Babel."<sup>[1]</sup> According to the 1920 US Census, 71 percent of Chicago's population and 65 percent of Detroit's population were either immigrants or the children of immigrants.<sup>[2]</sup> Clearly then, white ethnic diversity is not the key that McGruder makes it out to be. Indeed, a lot of his explanation for why real estate transitions between German ethnics and blacks took place relies on conjecture. Whites in the end did show a great amount of solidarity in restricting blacks to Harlem. Perhaps, as he suggests, other historians will look at how white ethnicity complicated restrictive covenants and racial violence in places like Chicago. Until then, it is difficult to accept McGruder's argument

for Harlem's uniqueness in the period.

While concerned with white ethnic diversity, McGruder does not effectively analyze black diversity in Harlem. Caribbean migrants are frequently mentioned but not expanded upon. Did black West Indians have different experiences of Harlem? Did they challenge and contest African Americans' sense of place and community formation? Did they have more or less opportunity to purchase real estate? These are questions left unexplored by McGruder. Lastly, the fifth chapter on African American youth in Harlem, feels tacked on, as it does not reflect directly on real estate and black property ownership.

McGruder has written a good book and an important revision that should be read alongside the classic texts of ghetto formation. Perhaps McGruder's most significant insight is to examine this period as not inevitably leading to the ghetto and slums of later decades. In 1904, Harlem was viewed as a place on the upswing for both whites and African Americans. While increasingly segregated and witness to growing racial tension, the men and women purchasing and renting property did so with the belief that Harlem's property values would continue to rise. Although some whites wanted to make this growth for whites only, others were willing to sell to and live with blacks, giving them a key foothold in this rising neighborhood. Of course, African Americans were eventually squeezed into Harlem and the borders of this black metropolis were strictly enforced, leading to overcrowding and poor sanitary conditions. This, however, is not McGruder's story. Instead he makes clear the ways in which Harlem as ghetto was not inevitable and that its early development was far more complex than previous historians have suggested.

#### Notes

[1]. Quoted in Lauren Rabinovitz, *For the Love of Pleasure: Women, Movies, and Culture in Turn-of-the-Century Chicago* (New Brunswick: Rutgers University Press, 1998), 56.

[2]. Eric Foner, *Give Me Liberty: An American History*, Seagull 4th ed. (New York: W. W. Norton & Company, 2014), 2: 689.

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