

**POLITICS & GOVERNMENT**

However, urban renewal *did* increase the market value of urban land. In renewal areas, the tax base increased by an estimated average of 213 percent after completion of the federally aided projects—apartments, office buildings, and shopping malls, for instance. Land was frequently bought up by local urban renewal agencies for more than its market value, benefiting downtown real estate owners in and near renewal areas. Jaffee questions the use of such federal outlays for correcting “inefficiencies” in the urban land market, especially when the benefits accrue only to the local economy. He also criticizes excessive use of federal funds for construction of government-owned buildings. Of the total land value of all urban renewal projects completed by the end of 1973, only 47 percent represented taxable property.

### *The Politics of Wealth*

“Who Rules America? Power and Politics in the Democratic Era, 1825–1975” by Edward Pessen, in *Prologue* (Spring 1977), National Archives, Washington, D.C. 20408.

For the past 150 years, the myth of the “self-made man” has proclaimed America a land of plenty, where every ambitious and hard-working person could achieve material success.

Historical realism, however, suggests that this has not been the case, says CUNY historian Pessen. In fact, the growth of political democracy in the United States has done little to better prevailing conditions of “gross social and economic inequality.”

During the latter half of the 19th century maldistribution of wealth (real or personal property) was such that more than 50 percent of the people in 10 major U.S. cities owned no wealth whatever; the richest 10 percent owned about 80 percent of the wealth. By 1920, America’s wealthiest 1 percent still owned about 35 percent of the wealth when measured by families, and approximately 31 percent when measured by individuals. By 1966, one-half of 1 percent of all “consumer units” held 22 percent of the wealth.

The fact that great inequities persisted despite the broadening of suffrage raises a number of unanswered questions. Was the politicians’ failure to change things due to an indifferent or powerless electorate? Were elected officials unconcerned, elitist, or lacking in power?

The American masses, says Pessen, appear never to have sought a political solution to the problem of economic inequality. Their elected leaders behaved *politically* as if they themselves were well off, whether they were or not. The evidence does not point to development of a “ruling class” that monopolized political power. What it does suggest is that, for as yet unexplained reasons, political power has not been used by the shifting groups and interests that have possessed it “to tamper with the social and economic order and the pervasive inequalities that characterize that order.”