From Shacktown to Suburb. The Incorporation of Owner-Building

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Until the 1940s, owner-building was common in urban fringe areas in North America but dismissed as undesirable. Areas developed in this manner had a distinct morphology and were often labeled shacktowns. For a decade after 1945 owner-building underwent a resurgence: in 1949 it accounted for thirty percent of dwelling starts across the United States. During this decade, owner-builders were brought into the economic mainstream. The introduction and enforcement of suburban building regulations constrained how amateurs could build. Lenders and lumber dealers helped them conform, offering construction loans, plans, advice, materials, and even kits. As a result, the homes and landscapes of owner-builders became similar to those produced by smaller professional builders. As amateurs were incorporated into the commercial mainstream, their achievements were no longer described as shacktowns but as suburbs.
Introduction

Until the late 1950s, unplanned developments were one of the commoner forms of fringe settlement in Canada and the United States. Unserviced in their early years, these developments were largely built and settled by owner-builders. Because homes were built in stages, and often very modest in the early years, such fringe areas were denigrated as ‘shacktowns.’ Owner-building persisted after 1945 but was increasingly constrained by government regulation, and then commercialized. As owner-building was transformed so, too, were the districts that owner-builders made. These became largely indistinguishable from the areas that were being developed by small professional builders. As owner-builders were incorporated into the commercial mainstream, shacktowns were made into suburbs. This paper tells the story of that complex transformation.

The key years lay between the mid-1930s and the mid-1950s. In these two decades, owner-built development was shaped by a combination of governmental and private initiatives. The influence of the federal state organisations was felt first, though it soon affected the actions of municipalities. The private sector, and most notably the building suppliers, had their largest impact after 1945. After describing the character of the unplanned fringe as it existed before the 1930s, this paper examines in turn the public and private influences on the owner-builder before concluding with some comments about the distinctiveness of the North American experience.

Unplanned development before the 1930s

Until recently, most historians of suburban development in North America have drawn a contrast between urban poverty and suburban affluence. To some writers, this has distinguished the North American urban experience from that of Europe and, to some extent, Latin America, where many poorer households have been compelled to find, or to make, accommodation at the suburban fringe. In line with this emphasis, North American scholars have devoted a good deal of effort to describing how affluent, or at least middle class, suburbs were developed (eg. McCann, 1999). For example, they have shown how the physical and social character of these suburbs was guaranteed through the use of private deed restrictions (Weiss, 1987). Lately, however, a growing number of scholars have reminded us of a fact of which contemporaries were well aware: throughout the history of North American cities many fringe areas were settled by low-income households, including workers and first generation immigrants (Harris and Lewis, 2000; Hayden, 2003). Often these households were attracted by suburban employment, including industries; perhaps just as often, they were willing to put up with quite long commutes downtown.

The fringe areas of low-income settlement took many different forms, but two were most common (Harris, 1999a). One form, the industrial suburb or satellite, grew up around suburban factories. Because employers sometimes had a hand in shaping these suburbs, sometimes to the extent of erecting company housing, these areas were likely to show some degree of planning. Since factories usually required municipal services, notably water, the residential areas of industrial suburbs were commonly serviced from the outset. Moreover, because factories provided a sound economic basis to the community, professional developers and builders were attracted to the idea of building modest homes on a speculative basis.

The second form of low-income fringe area was very different. Removed from the main centres of employment, these were largely residential in character and with an uncertain economic base. They grew up bit by bit, in fringe areas that were unincorporated, and that
therefore lacked building and subdivision regulations, or municipal services. Some land developers were active in such areas, buying up farmland and subdividing it into small building lots, but other entrepreneurs avoided them. Speculative builders and lending institutions were skeptical of building, or lending on, homes in unserviced areas with fragile local economies. Most building, then, was undertaken by owner-builders who used little or no credit (Harris, 1996).

Amateurs built in stages as their finances allowed. Most households had limited savings and low incomes and so began with simple, modest homes with few or no architectural pretensions. Even so, the absence of regulation meant that each home was different, in dimensions, design, or placement on the lot. Many people began with a modest structure at the back of the lot and then extended, or replaced, it with something more substantial that was located closer to the front, but there were infinite variations on this theme. Perhaps because of local and regional differences in ethnic composition, prevailing styles and methods of construction varied from place to place. In Milwaukee, Wisconsin, for example, Polish immigrants built two-storey flats, beginning (of course) with the ground floor. In Winnipeg, Manitoba, the shanty, with a simple backward-sloping roof, was common. In Buffalo, New York, families commonly extended structures forwards and backwards from the original structure. Everywhere, especially in the early years, the absence of subdivision regulations meant that houses were scattered more or less randomly, and very inefficiently, across the landscape. When the risks of relying on wells and outhouses became too great, the costs of providing services to such scattered settlements proved to be very great. Many municipalities went bankrupt in the process, especially those that had not retired their debts before the Depression of the 1930s struck them.

Public Initiatives in the 1930s

If owner-built settlements were avoided by builders and institutional mortgage lenders they were generally disapproved of by local governments and federal agencies. In Europe after WWI, a number of national and, especially, local governments developed aided self-help programs under which they subdivided and serviced building plots, and then provided materials and technical assistance to amateur builders (Harris, 1999b). Probably the most effective of these, and certainly the best-known and most durable, was that which was developed by the City of Stockholm in 1927. Other, lesser-known programs were developed elsewhere in Scandinavia, as well as in Germany. Stockholm’s scheme was noted and praised in North America, but found no imitators. There, federal governments in Canada and the United States became active in the housing field in the 1930s. The most significant, long-term programs were those that were administered from 1934 by the Federal Housing Administration (FHA) in the United States and under the 1935 Dominion Housing Act (DHA) in Canada. These threw their weight behind the building industry in general, and in particular the builder-developers who were supposedly more efficient, and who were large enough to create the standardised subdivisions in which mortgage institutions were most eager to lend. Amateurs were dismissed as inefficient and undesirable.

Local governments followed the federal lead. For decades, most municipalities had been skeptical of owner-builders: they were concerned that amateurs might not be able to erect fireproof dwellings, or in general to follow municipal building regulations. Under the influence of local construction trades, these regulations often mandated the use of union labour, notably for electrical work and plumbing. Federal initiatives gave municipalities a new incentive to disapprove of the amateur. They offered mortgage insurance, but only for homes that were FHA or DHA approved. To be approved, homes had to meet increasingly stringent standards of
design and construction that few amateurs were in a position to meet, or so it was thought. If local municipalities wished to attract the business of government-approved builders and lenders, then, they had to enact and enforce regulations that were tailored to the building industry and that discouraged unplanned development by amateurs. For a time many municipalities were slow to respond, but by the 1950s the federal programs were clearly having an impact.

**Private Initiatives after 1945**

Builders and lenders had a strong incentive to follow FHA or DHA guidelines, but not all did so. In the United States the single most important type of mortgage lending institution in the 1930s were the Savings and Loans. In part for political reasons, the S&Ls were very slow to come under the FHA umbrella. They responded to federal initiatives, most notably in the provision of long-term amortised mortgage loans, but for many years they did not participate greatly in the FHAs mortgage insurance scheme. For this reason, they were not as constrained as to where, and to whom, they might lend. Although the subject has been very poorly researched, it is clear that in at least some cities Savings and Loans became willing to make construction loans to amateur builders. A case in point was Peoria where, unusually, business boomed during the 1930s as the largest local employer, Caterpillar, won contracts for heavy equipment from both the United States and Soviet governments. Peoria began to attract migrants, many of whom housed themselves by building their own homes. Responding to this, in the late 1930s one of the larger Peoria Savings and Loans began to make construction loans to amateur builders and other lenders soon followed suit (Theobold, 1974). Peoria was unusual in the extent to which Savings and Loans dominated the local mortgage scene, but these institutions played a large role in most local housing markets. By the 1940s, it is likely that many were beginning to offer financial assistance to the owner-builder.

The reason why mortgage lenders began to pay attention to the amateur builder is that building suppliers were rapidly reducing the risks attached to such business. These suppliers included hardware merchants, and to a growing extent department stores, but the lumber dealers remained the most important. Until the 1940s, lumber dealers had catered primarily to the contractor trade from yards that were typically located in the less salubrious parts of town, mixed in with wholesalers and small industries beside the freight yards. Physically unattractive, they were a male preserve. During the 1910s and especially the 1920s a significant minority of lumber dealers had begun to reorient themselves to the consumer market (Hood, 1928). In so doing they were responding to competition from companies such as Aladdin and Sears that manufactured kit homes, advertised by mail, and distributed across the country. Instead of simply selling lumber, during the 1920s the suppliers’ trade journals urged dealers to begin marketing ‘the home.’ This meant diversifying into a much wider range of building supplies, and perhaps making their own kits for the local trade. Some followed this advice, but most did not. The major transformation of the building supplier did not happen until after 1945.

With the return of veterans, and as post-war economic prosperity gathered pace, a huge pent-up demand soon translated into a massive construction boom. The building industry, which had been devastated by the Depression, could not keep pace. By the late 1940s a very significant minority of homes was being built by owners for their own use. A major US survey found that in 1949 more than a quarter of all new housing units were being built by owners for their own use (US Department of Labor, 1954). Responding to this demand, a large number of building suppliers reorganised themselves to cater to the enormous new consumer market (Harris, 2000). They diversified considerably, with many trying to stock virtually all the materials
that an amateur might need to build a home. The goal was to provide a one-stop service. This meant carrying not only new materials, such as wallboard, but also the new lines of hand-held power tools which, coincidentally, made amateur construction much easier. Amateurs were usually ill-informed, and so dealers opened and expanded service departments that provided designs, advice in the use of materials and tools, and often whole courses in home construction. Because, for the first time, many of their customers were women, who were experienced shoppers with definite expectations, dealers felt compelled to clean up their premises, build attractive showrooms and, increasingly, to relocate away from freight yards to suburban auto strips.

Collectively, the initiatives that dealers took in responding to the new consumer demand made it easier for amateurs to build very respectable homes. Dealers were able and willing to offer advice of virtually all aspects of construction, including the hiring of subcontractors for the more difficult tasks, such as wiring. They offered house plans and practical tips that helped amateurs meet the increasingly stringent local building regulations. It was the dealer, then, that prevented regulations from seriously inhibiting the post-war boom in owner-construction.

With the support and assistance of lumber dealers, amateurs were able to build homes that not only conformed to local building regulations but also looked very much like the sorts of homes that were being built by professional builders. The designs were in many cases the same, as were the materials. Because amateurs were building for themselves, they usually took care to build well, and soon the word got round that in terms of durability owner-built homes were as good as any. In this manner, the reorganisation of the building supply business encouraged lenders, and especially the Savings and Loans, to view amateur builders in a more positive light. In Peoria, for example, the main reason why First Federal began to offer amateurs construction loans was because Wahlfeld, a local millwork and lumber company, had initiated a ‘build-your-own-home’ program. Under this program, Wahlfeld offered most of the materials that home builders would need, together with on-site inspections and advice. Soon, another dealer went one further by laying out subdivisions for this class of business. First Federal was first attracted to this kind of program because it virtually guaranteed that homes would be good security for their loans. An analysis undertaken in the 1950s by its principal loan officer proved that, indeed, loans to amateurs had low default rates and in general were good business (Zweifel, 1955). In conjunction with the dealers, then, many lenders helped to boost the post-war boom in owner-building.

The new participation of suppliers and lenders not only fuelled amateur construction but also, within just a few years, transformed it. By the mid-1950s the market for ‘Do-It-Yourself’ was established (Goldstein, 1998). The term itself had been coined, or at least popularised, by Time magazine in a cover article in 1954. Initially, the assumption was that people worked on their home out of necessity, or at least to save money. Once building suppliers and manufacturers had begun to cater to this demand, however, their marketing of products and services acquired a momentum of its own. By the late 1950s they were encouraging home owners to undertake DIY projects as a hobby or as a mode of self-expression. In this fashion, owner-building was brought into the commercial mainstream, while the shacktown was remade as the modern suburban home of the weekend hobbyist.

**Discussion**

To what extent does this story have much resonance elsewhere? It is impossible to answer this question with any degree of certainty. There are undoubtedly close parallels between the North American experience and that in Australia and, probably, New Zealand. These countries had
similar histories of owner-construction. In each lumber dealers (aka timber merchants) played a critical role in responding to the post-war boom in owner-building and then in shaping the growth of DIY (Harris, 2000).

European parallels are less obvious. In some countries, notably Britain, owner-building had been largely eliminated by the 1940s, even in rural ‘plotlands’, and it underwent only a minor resurgence after 1945 (Hardy and Ward, 1984). There, then, the later commercial growth of DIY probably had to be grafted onto different roots. One might expect closer parallels in parts of Europe where owner-building in fringe areas had persisted into the interwar period. Paris is an obvious example, as are a number of southern European cities such as Athens (Fourcaut, 2000; Harlander, 1997; Leontidou, 1990). It is especially unclear, however, whether North American trends could have had much of an echo in southern Europe. Many important contexts were different: the reliance on concrete instead of wood, the persistence for several decades of a lower material standard of living, and the different political and regulatory environments of the European states surely made for a rather different story. Even so, in these places too,
ENDNOTES

1 This paper is based on an extensive reading of the secondary literature, together with archival research in Ottawa, Washington, D.C., and Canberra. It is a summary of a projected book. Only a few key references are cited, together with pieces by the author that discuss or establish relevant portions of the argument. For the conference I will not read the text but will speak to slides that illustrate the main points. I would like to thank the Social Sciences and Humanities Research Council of Canada, the Australian National University, and the Council for Education Exchange for financial assistance.

2 In addition, given the housing shortage, for some years after 1945 local building inspectors were willing to turn a blind eye to minor code infractions, especially if they believed that the amateur builder would rectify the problem within a year or so.
REFERENCES


Incorporation & Zoning

Incorporation, suburbs forming separate jurisdictions, excluded from the urban areas, a way to be independent from the cities. Forming suburbs into their own municipalities. State legislatures made the process easier in 20th century.

Zoning laws, protecting neighborhoods and limiting what can be built there. Controlling density, what can be built and where, designed to keep property values up. Governing the Sprawled Metropolises.

America vs. Europe

Suburban areas are more centralized, older less car developed for the era of cars, and public transportation oriented. Does not occur in the U.S. Designed to protect people in Europe that was not needed in the U.S. so cities were not designed with natural boundaries.