Activity Title: The Economics of Red Lining

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Intended Audience: Economics students

Background: This activity was designed in conjunction with student history projects exploring the impact of redlining on African American and working class and working poor immigrant neighborhoods in eastern Omaha. Their projects can be found here: http://invisiblehistory.ops.org/StudentProjects/RedlininginOmaha/tabid/1335/Default.aspx

Introduction: Redlining and White Flight have been major causes of economic decline in neighborhoods nationwide. The inability for people in the “hazardous” areas to get proper loans for businesses and homes led to a massive lack of investment in these neighborhoods. Without the benefit of the generational wealth created by home ownership and business ownership many people in these areas were forced to flee to the suburbs while the minority groups who stayed were left with poor housing conditions and a lack of business investment.

Articles Need for Activity: Download, “Articles For Economic Geography and Redlining” Lesson from the MIHV website. The document can be found directly below this lesson plan, “Economic Geography and Redlining”).

Materials: Mints or another small piece of candy for Rock Paper Scissors Activity. Copy of the Economics Worksheets (found below on Page 3-4), Copy of, “Visit Omaha” Map (found below on Page 5), Copy of Omaha HOLC Maps ( found in the related document, “Articles for Economic Geography and Redlining” on P. 2-6), Washington Post article (found on P. 7-8) and NY Times Articles (found on P. 9-14).

Access to the internet is needed for MIHV research.

Unit Alignment: You can do this lesson in either Microeconomics because of impacts on individuals and businesses or you can do it during Macroeconomics to connect it to government policy.

Time Needed: 90-120 Minutes

Step 1: Simulation: You will need tokens of some kind (mints, pennies, post-its, etc.). Hand out your tokens to every member of the class. Give all students 1 token except give a few a large pile. Then tell the students they need to play rock, paper, scissors. When they lose, they give their token to the winner, if they are out of tokens they sit down.
Step 2: Hand out “The Economics of Redlining” worksheet to the students. (Attached below- P.3). Have them work on Part I.

Step 3: Discuss Part I as a group. Have some students offer up their answers.

Step 4: Hand out maps of “Visit Omaha” and have the students color which areas of town they think are rich and which ones they think are not rich. Then have them compare them to the Omaha HOLC map of 1935. After they complete Parts II and III give them an explanation of the 1935 HOLC map and redlining.

Step 5: On the worksheet begin Part IV of the worksheet. Hand out the Washington Post and New York Times newspaper articles about redlining. Have the students read them with a partner. They need to write down the economic impacts of redlining outlined in each article on their worksheet. (Things like generational wealth, property rights, business loans, etc.)

Step 6: In Part V on the worksheet, have them answer the question. Then have them write their answer again on a piece of scratch paper. Once they are done writing have them crumple the paper up and then let them throw them around for 30 seconds. At the end of the time have them pick up the nearest ball to them. Then have them answer Part VI with the paper they have in front of them. If they get their own please have them trade quickly.

Step 7: Now that the students have learned about redlining, reflect on the Rock, Paper, Scissors activity. How did that activity reflect this policy? Open this up for discussion in your classroom. Push them towards ideas of generational wealth.

Step 8: Now have the students go to the Invisible History website listed on their worksheet. Have them look at the projects listed. Then have them make connections between the Omaha stories of redlining and the stories presented by the Washington Post and NY Times articles.

Step 9: Finally have them work on the Final Assessment. They will be creating a letter from the President to his cabinet about redlining. They should use all the pieces of their worksheet to formulate their answer.
The Economics of Redlining

Part I: What makes someone successful economically? What does someone have to have to be wealthy or rich? Brainstorm below.

Part II: On your Omaha Map, color areas you think are rich green, and those that you don’t think are rich in red.

Part III: Compare the map you colored to HOLC map from 1935. Are there any similarities?

Part IV: Read the articles from the Washington Post and the New York Times. For each article write down the economic impacts of redlining.

Washington Post Article:

New York Times Article:
Part V: In 3 sentences or less, based on what you have learned, what is the economic impact of redlining?

Part VI: Please comment below on the paper you received. Do you agree with their opinion? Do you disagree? Did their opinion change your opinion? Explain

Part VII: Have the students look at the 2019 projects on invisiblehistory.ops.org and look at Smithfield, Long School, and Central Park. How did redlining impact those communities? What connections can be made between those communities and what you read in previous articles?

Final Assessment: You are the president of the United States. You have been asked to comment on the impact that redlining has had on the economy of the United States. You also have been asked what you will do to try and reserve the impacts of this? Please compile your answer into a letter to your cabinet.