

America's Housing Contradiction

Why Technology Can't Tame the Trillion-Dollar Housing Industry

*for all those who have ever wondered
why houses aren't built more like cars*

Copyright © 2010 by Timothy Lukas Petrash

All rights reserved. No part of this document may be reproduced in any form or by any electronic or mechanical means, including information storage and retrieval systems, without permission in writing from the author.

Summary

It is incredible how soon lessons of yesterday are forgotten, and how often men think they are creating history when they are simply repeating it. Dreamy ideas of factory mass-produced housing have long captured the American imagination, seducing many of the greatest minds and most powerful companies in American history. Despite a sobering track record including many notorious failures, architects and entrepreneurs have continued to look to high-tech assembly-line production as the solution to our nation's housing problem: better houses, faster and cheaper. With so much focus on innovating the unit itself, they often forget that the house in American society involves more than shelter, and that solving America's housing problems means overcoming entrenched political, economic, and social obstacles—not just technological ones.

Bringing to light lessons learned from 250 years of revolutionary endeavors from as many points of view as possible, this book is a summary of the fundamental controversies and challenges that have frustrated attempts to industrialize the housing production process in the U.S. Some frustrations are historic in nature and have been solved over the years, but are mentioned nevertheless to pass on knowledge and prevent future generations from making the same mistakes. Other obstacles are those which seem so fundamentally contradictory as to be completely unsolvable, and cast doubt on the entire theory of

affordable factory mass-produced housing. Still others have to do with logistical inefficiencies and unanticipated frustrations which may not prevent factory mass-production outright, but which make it considerably less feasible or profitable.

Innovation requires a will to change. Though the research and findings in this book could have filled many volumes, this book was written as an executive summary in plain English in the hope that it will be read by many Americans who will stand up and demand change. Though this book identifies many obstacles in the idea of factory-mass-produced housing, the goal is *not* to discourage innovation. Rather, it is to shed light on the hidden stumbling blocks and challenges involved in such an endeavor, so that our generation will not dream in vain.

This book consists of three main parts:

- 1) HISTORY: A brief historical overview of manufactured housing in the U.S., 1550 – 2010.
- 2) CASE-STUDY: A detailed case-study of the rise and fall of the Lustron Corporation (1946-1951), the closest the U.S. has ever come to mass-producing the American dream in a factory.
- 3) WHY THEY FAILED: Myths and realities for the countless failures to introduce mass-produced affordable housing in the U.S. Part Three is the heart of the book, and identifies hidden social, political, and economic problems in addition to architectural and logistical ones.

Contents

Part One: A Brief History of Manufactured Housing in the U.S.,
1550 – 2010

Part Two: Case-Study: The Lustron Failure

Part Three: Why They Failed: Myths and Reality

What Housing Means to Different Players
Are Advocates Even Targeting the Right Problem?
Resistance from Organized Labor
Negative Perceptions of Mobile/Modular Homes
What's in a Name?
Tax Equity and NIMBYism
Frustrations Related to Financing
Financing-Induced Obsolescence
The Problem of Newer Models
Economy of Scale Dependent on Control of Site
Limited Wealth-Building for Builder and Owner
Contradiction of the Economic Principle of Supply and
Demand
High Upfront Costs of Automation
False Promises of Standardization and Universality
Beyond Mass Production and Mass Customization
Creating a Sustained Market

Directions for Marketing and Improvement: Consumer
Feedback on Mobile Home Living
Inability to Advertise a Single Fixed Price
Issues Related To Branding/Reputation
The Size Paradox
The Problems (and Myths) of Transportation
Decentralized Codes and Fragmented Industry
Barriers to Innovation: The Builder's Perspective
Lack of Will to Change

Conclusion and Encouragement

Further Reading and References, by Subject

Appendices