# Supreme Court upholds government land grabs for developers

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The US Supreme Court ruled June 23 that local governments have broad powers to force people out of their homes to make way for private developments, despite the constitutional proviso that government takings must be for a "public use."

The 5-4 majority in *Kelo v. City of New London* consisted of the four "liberal" justices—John Paul Stevens, who authored the opinion, Ruth Bader Ginsburg, Stephen Breyer and David Souter—and "swing" justice Anthony Kennedy. Despite the lineup of dissenters—right-wingers William Rehnquist, Antonin Scalia and Clarence Thomas, along with "swing" justice Sandra Day O'Connor, the decision is deeply anti-democratic.

The ruling openly places the authority of the high court on the side of private developers and their financial backers seeking to force people out of their homes for the sake of corporate profit and personal gain. These narrow private interests and their allies in government now have the imprimatur of the Supreme Court to apply "eminent domain"—the government's power of condemnation—to seize homes and land parcels for commercial developments such as office complexes, malls, hotels, sports arenas or other privately-owned projects solely on the basis of claims to promote economic development.

As a practical matter, the benefits of such home- and land-seizures will overwhelmingly accrue to big property owners and larger financial interests, at the direct expense of the displaced homeowners, and with little or no real improvement in the lives of the vast majority of the people.

The issue in the case was the scope of the Fifth Amendment's "taking clause," which reads: "nor shall private property be taken for public use, without just compensation." While the practice of condemning small private parcels for larger private developments has been ongoing for decades, last week's decision is the first by the Supreme Court to hold expressly that "promoting economic development is a traditional and long accepted function of government" which justifies using eminent domain to seize land for private developers as a "public use."

The case was brought by owners of 15 homes in the working class Fort Trumbull area in New London, Connecticut. The city's redevelopment agency sought to condemn their homes for a private development centered on a massive research facility to be owned and operated by pharmaceutical giant Pfizer, Inc.

None of the homes was alleged to be blighted or in poor condition. The residents did not argue that they were not offered "just compensation" for their properties; they simply did not want to move. Many had lived there for decades. One of the homeowners, Wihelmna Dery, was born in her Fort Trumbull home in 1918. At age 87, she and her her husband of 60 years, Charles, are being forced to move out to make way for a hotel, offices, businesses, restaurants and new housing.

The Supreme Court first upheld the practice of condemning properties for private developments in 1954, when it ruled in an opinion authored by liberal icon William O. Douglas that eminent domain can be used to eliminate urban "blight." Over the last 50 years, under the guise of eliminating "blight," government redevelopment agencies have been formed throughout the United States. Issuing tax revenue bonds for financing, they have used eminent domain to seize individual buildings, entire blocks, and even whole neighborhoods to generate profits for real estate developers and corporations, often in exchange for campaign contributions and other thinly veiled bribes and kickbacks.

One prominent early example occurred 45 years ago when Los Angeles plowed under the old, rustic, predominantly Hispanic community of Chavez Ravine for privately owned Dodger Stadium. Another was Detroit's Poletown—also a working class community—condemned in the early 1980s and given to General Motors for an assembly plant.

The immediate practical effect of the ruling will be to make it more difficult for individuals and community organizations to oppose eminent domain on the grounds that their properties or neighborhoods are not "blighted." Now, the Supreme Court has given carte blanche for local governments to wipe out communities and dislocate innumerable families, replacing them with retailers like Wal-Mart, office complexes and hotels, chain businesses and luxury housing.

Lower-income areas will invariably be the targets not only because of their lack of political influence, but also because the cost of "just compensation" for the land will be lower. Competition among localities for financial prizes such as the New London Pfizer facility will accelerate the process and reward those areas that most aggressively displace their

residents.

The dissenters opposed the ruling from the perspective of defending unfettered capitalist property rights from any form of environmental or economic regulation. They did not hesitate, however, to make use of the social bias in favor of wealth and corporate power, which underlies the majority decision to justify their dissent.

O'Connor wrote that "the fallout from this decision will not be random." Instead, she said, "the beneficiaries are likely to be those citizens with disproportionate influence and power in the political process, including large corporations and development firms. As for the victims, the government now has license to transfer property from those with fewer resources to those with more."

Clarence Thomas, who votes against discrimination claims more frequently than any other sitting justice, waxed on about the ruling's discriminatory racial effect, citing statistics showing that 63 percent of families displaced through urban renewal from 1949 through 1963 were non-white. "Urban renewal projects have long been associated with the displacement of blacks," Thomas wrote, harkening to the time when "urban renewal came to be known as 'Negro removal.' " (The National Association for the Advancement of Colored People—NAACP—was among the groups filing "friend of the court" briefs supporting the homeowners.)

Mirroring the Supreme Court lineup, the decision was praised by the traditionally liberal media organs while condemned by the right-wing press. The *New York Times* called it a "welcome vindication of cities' ability to act in the public interest" and "a setback to the 'property rights' movement, which is trying to block government from imposing reasonable zoning and environmental regulations." The *Washington Post* called the result "quite unjust" but nevertheless "correct."

On the other hand, the reactionaries of the *Wall Street Journal* editorial pages labeled the Supreme Court majority "reverse Robin Hoods." Citing the recent decision upholding federal laws banning medical marijuana use as within Congressional power to regulate interstate commerce, the *Journal* stated that "in just two weeks, the Supreme Court has...said there are effectively no limits on what the federal government can do using the Commerce Clause as a justification" and "that there are effectively no limits on the predations of local governments against private property."

Socialists would not rule out in all cases the application of eminent domain. There can be instances when the clear interests of the vast majority of the people can be served only if socially progressive projects are given priority over the refusal of reluctant homeowners or landowners to part with their property. Such, for example, was the case of the Tennessee Valley Authority, the large-scale government project launched in the 1930s that brought electrical power to vast parts of the American South that lacked this elementary requirement of modern, civilized life.

However, such "takings" can be justified only when the projects plainly benefit the broad masses of the people, are publicly controlled, and are not dominated by private interests for private gain, and when those displaced are given ample compensation and guaranteed a secure economic future.

The notion that the "public good" can be secured by placing the awesome power of eminent domain at the disposal of real estate developers and other corporate interests, at the direct expense of ordinary homeowners, is a fiction that is promoted by the capitalist ruling elite and its government and judicial defenders.

There are an almost unlimited list of projects that could and should be undertaken to eliminate such social scourges as poverty, unemployment, homelessness, decaying housing and schools, and lack of health care, but none can be carried out without attacking precisely what both sides in last week's Supreme Court ruling uphold as unassailable—private ownership of the major levers of economic life and the subordination of human needs to the pursuit of corporate profit and the accumulation of personal wealth by the privileged few.

A socialist policy would proceed from the need to reverse the perverse priorities that presently dominate society, establishing democratic control by the working people over the great monopolies in industry, finance, telecommunications, transport and computer technology, and harnessing the vast power of these enterprises to meet the needs of the population as a whole, with the goal of raising living standards for all, ending the tyranny of concentrated wealth, and achieving social equality.

The division on the court in the case of *Kelo v. City of New London* underscores the political fact that the disputes between the liberals and the right wing reflect differences within the same ruling elite, all of whose factions defend capitalism and uphold the fundamentally anti-democratic principles that underlie the profit system.