

# Massive Hudson Yards real estate project opens in Manhattan

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Hudson Yards, the \$25 billion private real estate project on the Far West Side of mid-Manhattan, was officially opened on March 15. It has been hailed by its billionaire developers as a transformative venture that will bring at least 55,000 jobs, 4,000 apartments and a jolt of energy and enthusiasm to New York City as a whole.

The reality is far different. A study has documented that the project is drawing development from other neighborhoods without creating new growth. Only about 10 percent of the housing will be “affordable,” even by the usual flexible definition of that term. Hudson Yards will be in essence a kind of gated community for the very wealthy, yet another and even more extreme expression of the hypergentrification that has fueled historically unprecedented social polarization, nowhere more pronounced than in New York.

The development, the product of at least a decade of planning, will eventually consist of 16 tall buildings. It is made possible by a massive platform built over the old storage yards of the Long Island Rail Road. In terms of square footage, Hudson Yards will be the largest private real estate development in the history of the US.

Among those structures already completed are four skyscrapers, transforming the city’s skyline on the Hudson River and nearly obscuring the iconic view of the Empire State Building, about one mile due east. Another prominent element that has been opened is a seven-story, 720,000-square-foot luxury shopping mall.

Aside from the mixed-use residential, commercial and office buildings, Hudson Yards also includes the Shed, a city-sponsored arts center that is the only part of the development not built with private funds. Another feature, temporarily called the Vessel while a permanent name is decided upon, is a 150-foot-high structure with 2,500 steps, erected at a cost of \$200 million, and meant to serve as a kind of thematic sculpture and attraction for visitors and residents in the surrounding neighborhood of offices,

shops and residences for the super-rich.

Plans for Hudson Yards began to take shape in the years after the 9/11 attacks in Lower Manhattan. The midtown area between 34th and 59th Streets had already overtaken the old financial district in size. By the middle of the first decade of the 21st century, however, there was growing concern within the ruling establishment about competition from London and other financial centers.

One of the few areas where expansion was possible in the already crowded business district was the Far West Side, the site of the old storage yards of the LIRR. The push for Hudson Yards accelerated after New York lost its bid for the 2012 Olympics, and thus the rationale for the plans for a new stadium on the Far West Side. Ground was broken for the project in 2012.

The completion of the first major stage of the project is emblematic of the vast shifts that have taken place amidst the capitalist globalization and financialization of recent decades. Everything about Hudson Yards symbolizes the Second US Gilded Age, which has left the First Gilded Age of more than a century ago in its dust. In the words of *New York Times* architecture critic Michael Kimmelman, the development is a combination office park-shopping mall and “quasi-gated community targeted at the 0.1 percent.”

The shopping mall is similar, only on a far bigger scale, to the one opened more than a decade ago in the Time Warner Center mixed-use towers, about a mile to the north.

Star architects, including Skidmore, Owings and Merrill and Diller Scofidio + Renfro, were hired by the billionaire developers, The Related Companies and Oxford Properties Group. For the forthcoming western side of the project the names include Frank Gehry, Santiago Calatrava and Robert A.M. Stern.

Hudson Yards follows “Billionaires Row” on West 57th Street and numerous other luxury and high-end towers in

Manhattan in the northern tip of Brooklyn. The explosion of luxury real estate, resting on continuously escalating inequality, is symptomatic not of the health, but rather the sickness and decline of American capitalism. Hudson Yards is the culmination of a process that can be traced back at least four decades, to the near-bankruptcy of New York in 1975.

That crisis, bound up with the economic downturn that followed the oil price shock of 1973, was followed by a very different sort of recovery from the past. The ensuing social and economic policies, associated most prominently with the names of Reagan and Clinton in the White House and Ed Koch, Rudy Giuliani and Michael Bloomberg in New York's City Hall, were part of a social counterrevolution, which continues today. Capitalist prosperity is now based on rampant speculation, combined with vicious assaults, sponsored by both parties and abetted by the trade unions, on all the gains made by the working class in the 20th century.

While there were occasional efforts to improve the city's infrastructure, as in the modest improvements in New York's transit system in the 1980s, these were seen as the cost of maintaining the city as a global business center.

The basic trajectory was to claw back the gains of the working class and to lower living standards for the majority of the population. The consequences of this are symbolized by Hudson Yards and its place in the city today.

Tax breaks and other public assistance for Hudson Yards have reached nearly \$6 billion, twice the figure estimated as the enticements for Amazon to build its headquarters, in plans that it has now abandoned, in Queens. The extension of the No. 7 subway line to the neighborhood cost \$2.4 billion, while the rest of the transit system was left to decay. The city also spent \$1.2 billion for parks and open space.

Companies that plan to relocate from other sites to Hudson Yards were granted tax breaks, including \$25 million for the gigantic BlackRock hedge fund, with \$5.98 trillion under management, \$14 million for WarnerMedia, and numerous others. While an estimated 430 "affordable" apartments are included in Hudson Yards, about 63,000 residents of the city are homeless.

Hudson Yards bears some comparison with the 1970s project for Westway, an underground multi-level highway to modernize the city's West Side Highway, while above the highway would sit acres of parkland as well as commercial space, office and homes. Westway was

stopped by popular opposition to spreading highways through cities, and to development favoring the wealthy. Liberal columnist Russell Baker warned, "The Hudson River would be sealed off by a towering wall of condominiums for the rich."

One major difference between Hudson Yards and Westway is the role of private interests. The earlier project was to be largely financed by the federal government.

Another difference is that today, more than 30 years after Westway was finally abandoned, the interests of the super-rich are unchallenged by any level of government, and the steady growth of inequality is accepted by Democrats and Republicans alike.

The consequences are not attractive, as Kimmelman explains. "[Hudson Yards] offers 14 acres of public open space in return for privatizing the last precious underdeveloped parcel of significant size in Manhattan ... With its focus on the buildings' shiny envelopes, on the monotony of reflective blue glass and the sheen of polished wood, brass, leather, marble and stone, Hudson Yards glorifies a kind of surface spectacle—as if the peak ambitions of city life were consuming luxury goods and enjoying a smooth, seductive, mindless materialism."

The empty and mindless ambitions of the ruling elite call to mind the famous phrase attributed to Louis XV in pre-revolutionary France: "Après-moi le déluge."

More than five years ago, current New York Mayor Bill de Blasio, a self-styled progressive Democrat, was elected on the promise to fight inequality. Hudson Yards shows not only that de Blasio is a liar, but also that the unwillingness and inability of politicians like him to weaken the grip of the oligarchy on social and economic life reflect the fundamental nature of capitalism. What flows from this is the need, not for fruitless attempts to regulate or improve this decaying system, but to establish the political independence of the working class in the fight for socialism.



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