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PERSPECTIVE

Taking Liberties . . . and Properties

It's happened again. A local government is condemning a group of homes so the land can be turned over to the developer of a shopping center. Why? The shopping center will rake in more tax revenue than the homes do

The use of eminent domain to raise money for government is catching on. We've seen it from Connecticut to California. The earliest case I'm aware of is from the early 1980s, when the city of Detroit used its power to take an entire ethnic neighborhood, Poletown, so it could be sold at a bargain rate to General Motors for a Cadillac plant. The courts, the so-called bulwark of our liberties, permit this to take place. (Citizens Fighting Eminent Domain Abuse has an informative website at www.castlecoalition.org/.)

Now it's going on in Alabaster, Alabama, near Birmingham, where seven middle-class homeowners are being told to sell their properties to the developer or face condemnation under which they will be paid less than they are currently being offered. Some of the homeowners think they have been offered too little. Others don't want to sell at any price.

In the eyes of the city's leaders, property rights cannot be allowed to stand in the way of the city politicians' idea of progress. In other words, the homeowners have no rights.

The government doesn't put it that way, but it amounts to the same thing. The city councilmen talk about sacrifice. One said that in our society "there is give and take." Yes, the owners give and non-owners take. That used to be called theft.

Another councilman said, "Sometimes the good of the many has to outweigh the greed [!] of the few." As radio talk-show host Neal Boortz pointed out, Hitler couldn't have put it better.

The power of eminent domain is generally conceded to government, but that is not the same thing as saying it's legitimate. Why should the state be able to take property

against the owner's will? It's a vestige of the notion that the king owns his realm and the rest of us reside here at his pleasure. These days it has a democratic mantle. It's still theft.

Unfortunately, America's founders did not question this traditional prerogative of sovereignty. But at least they tried to limit it, if weakly, by confining it to the need for "public use" and requiring "just compensation." (See the Fifth Amendment's "takings" clause.)

So far governments still abide by the compensation provision. But in fact there can be no just compensation in a forced sale. The just price is the one a buyer and seller freely agree on. What makes a transaction legitimate is not compensation but consent.

The "public use" constraint has now been thrown to the wind. The framers were thinking of roads, post offices, and other government facilities, the kinds of things that, in theory, all people use or that are used on their behalf. Now the term "public use" has been stretched beyond recognition. If homes are taken for a Wal-Martanchored shopping center, it is said (with a straight face) that this is a public use, since the new function will provide jobs and bring in tax revenues that can be used to benefit the public.

In America today the authorities don't need to torture people. They accomplish the same effect by torturing the language.

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Imagine an economics class that focuses on human action. Arthur Foulkes did. You may say he's a dreamer, but he's not the only one.

Social Security is a paternalistic imposition on Americans. But John Attarian finds that many alternatives being offered are more paternalistic. Injuries on escalators have prompted calls for national safety standards. Robert Carreira shows how off base the regulatory mindset can be.

The horror that was the Soviet Union can be illustrated by the life of a single man. Daniel Hager tells the story of an obscure scientist with a famous name.

The "war on terrorism" has brought the federal government a host of ominous new powers. To those who are concerned about this, officials have appealed for trust. Does the federal law-enforcement record warrant trust? James Boyard takes a look.

It is hard to deny the connection between private property and prosperity. But what precisely is the connection? Tibor Machan has some observations.

While the Supreme Court ponders the constitutionality of the new campaign-finance law, George Leef notes that it not only violates freedom of speech, but also misconstrues the problem. It's not that the wealthy can *buy* political favors, but that the state can *sell* them.

A new publication illustrates how free trade has made people richer everywhere. William Peterson celebrates this latest evidence on behalf of liberty.

Our classic reprint this month is Edmund Opitz's discussion of business ethics.

In the columns department, Richard Ebeling says liberty can't be centrally planned. Donald Boudreaux wonders how to spot a billionaire. Stephen Davies examines the detrimental influence of Friedrich List. Russell Roberts says economists are misunderstood. And Gene Callahan and Robert Murphy, reading the claim that nationalized health care will be efficient, respond, "It Just Ain't So!"

Our book reviewers evaluate volumes on communist spying, economics for ordinary folks, labor, and luxury.

—SHELDON RICHMAN