April 2009

Volume 18 Issue 2

# Inside This Issue

IJ Fights Texas-sized Eminent Domain Abuse

2

IJ's Campaign Against Campaign Finance "Reform"

3

Boxing Gym Avoids TKO In Eminent Domain Fight

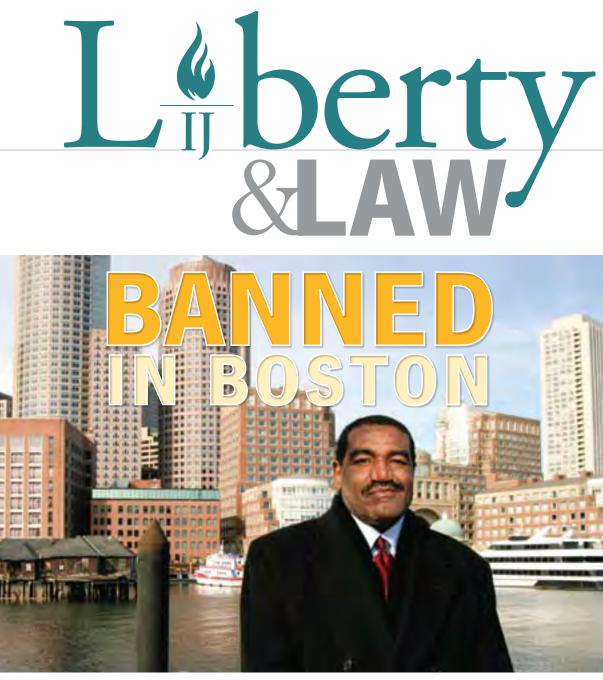
4

Matching Grants Make Now a Great Time To Support IJ



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The Institute for Justice represents aspiring entrepreneur Erroll Tyler in his challenge to Boston's government-enforced tourism cartel.

# By Jeff Rowes

To understand the importance of the Institute for Justice's new national campaign to advance economic liberty (see pages 6 and 7), ask yourself the following question: Should it take seven years and a team of IJ lawyers to open a small business? Unfortunately, that is exactly what it takes in Boston and elsewhere. That is why on February 18, 2009, we filed suit in federal court on behalf of longtime client Erroll Tyler to restore economic liberty to the birthplace of the American Revolution. (For a brief video on the case, visit: www.ij.org/video/ErrollTyler.)

Erroll's dream is to open an amphibious vehicle tour business in Cambridge, Mass. Erroll's tours will begin in Cambridge, drive the streets of Cambridge and Boston, cruise the waters of Boston Harbor and then return to Cambridge. We took up Erroll's cause a few years ago when the city of Cambridge repeatedly refused to issue a basic transportation license on the ground that no one "needed" his services, as though bureaucrats and not consumers should make this decision. We litigated his case through a state administrative process, winning when the Massachusetts Department of Public Utilities overruled Cambridge and granted Erroll his license.

It should have been smooth sailing for Erroll after that, but then Boston intervened, insisting that Erroll needs a city "sightseeing" license. In other words, even though Erroll will drive through Boston without picking up or dropping off passengers, and even though he is licensed by the state to transport passengers, Boston refuses to let Erroll into town.

Readers of *Liberty & Law* will not be surprised to learn the story behind the story. Boston stopped issuing **Nautical Tours** continued on **page 9** 

# **Texas Chapter Report Chronicles Eminent Domain Abuse**

# By Matt Miller

IJ has a proud history of being positive and action-oriented. That tradition is demonstrated by a report from the Texas Chapter that strategically targets state legislators who are—once again—debating eminent domain reform in the 2009 session.

Eminent domain abuse is unfortunately alive and well in Texas. Soon after we opened the IJ Texas Chapter in June of 2008, we began hearing from property owners across the state who are being threatened with eminent domain for private gain. This is not happening in small, out-of-the-way places. It is happening in three of our largest cities—El Paso, San Antonio and Houston.

As we began working with local activists who are fighting these redevelopment projects, it became clear that we needed to share their stories with the Texas Legislature, which is once again considering major eminent domain reform—including a possible constitutional amendment—to address the problem. That realization prompted us to write *They Want to Erase Us Out: The Faces of Eminent Domain Abuse in Texas*.

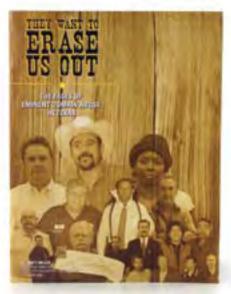
The report paints a portrait of Texans who are faced with losing their homes, businesses and livelihoods to redevelopment projects cooked up by big developers and local officials—the classic *Kelo* story. It begins in El Paso, where the city and a multi-national development consortium plan to demolish and remake a 133-acre neighborhood between downtown El Paso and the Mexican border.

> "I'm going to be put out of business, not because I've made a mistake in the way I run my business. I'm being put out of business by the government," said Gil Kimmelman, who owns two clothing stores and a warehouse in the demolition zone.

> > "I'm going to be put out of business, not because I've made a mistake in the way I run my business. I'm being put out of business by the government."

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-GIL KIMMELMAN EL PASO PROPERTY OWNER Something very similar is happening in San Antonio. There, the city wants to expand its famous River Walk tourist attraction northward. Standing in the city's way are dozens of homes and businesses, including Texas's oldest Cadillac dealership, Cavender Cadillac. Billy Cavender was mighty



surprised when he saw that the city of San Antonio had replaced his Cadillac dealership with a grocery store in its plan for the area.

Billy said, "They did an artist rendering of our facility with their future ideas of a marketplace taking our facility and creating high density in this area. I guess they thought we were going to be a grocery store not a Cadillac dealership anymore."

Arbitrarily expropriating existing businesses represents the arrogant mindset that permeates most redevelopment plans. In Houston, Metro (the mass transit authority) has the power to condemn anything within a quarter-mile of any planned light rail station to promote something called "transit-oriented development." The concept includes condos, coffee shops and all sorts of things that have nothing to do with true public use and everything to do with benefiting private developers at the expense of existing property owners.

"It's going to be a nightmare," said Paul Magaziner, whose business is threatened by Metro's plans.

*Erase Us Out* is filled with the stories of ordinary Texans like Gil, Billy and Paul who are living in the crosshairs of eminent domain abuse. We decided that telling their stories would send a powerful message to the Texas Legislature: ordinary Texans are fighting for their rights; let these stories motivate you to finally push genuine eminent domain reform across the finish line in Texas.

A PDF copy of this report is available at www.ij.org/EraseUsOut. It is also available from Amazon.com for Kindle e-book readers.◆

Matt Miller is executive director of the IJ Texas Chapter and the author of *They Want to Erase Us Out: The Faces of Eminent Domain Abuse in Texas.* 



April 2009

# **The Taxing Truth of Campaign Finance Laws**

# By Paul Sherman

As April 15th gets closer, millions of Americans will struggle with the forms, rules and anxiety that go along with filing their taxes. But imagine dealing with all that red tape every time you wanted to talk about politics. Absurd as it sounds, this is the reality of socalled campaign finance "reform," which has smothered grassroots political speech with regulations that survey respondents call "worse than the IRS." And red tape is only part of the problem. Many campaign finance laws go further, placing direct limits on the right to associate with like-minded people and speak effectively.

This is where the Institute for Justice stepped in. In just a short time, IJ has established itself as a national leader in the fight against unconstitutional campaign finance laws. Here is a sample of our recent work:

In Arizona, we're challenging a system of taxpayer-funded elections that discourages political speech by private groups and punishes candidates who refuse taxpayer money.

As we prepare for trial, the judge has already indicated that there is a "strong likelihood" that the law is unconstitutional.

In late October of this past year-right before the election-we won a blockbuster court ruling that temporarily prohibited Florida from

enforcing its campaign finance law. We represent a national taxpayeradvocacy group, a university student group and a coalition of homeowner associations that are challenging a campaign finance law that requires them to register with the government and file detailed financial reports if they merely mention the name

of a pending ballot issue. Having secured our clients' right to speak, we are now waiting for the

court to rule on our request to perma-

nently strike this law down.

We are challenging similar laws in Colorado, where we brought two cases, one on behalf of the Independence Institute, the other representing a group of neighbors, both of whom were sued by their political opponents for speaking out about ballot issues without first registering with the state. The cases are currently on appeal to the Colorado Supreme Court and the 10th U.S. Circuit Court of Appeals, respectively.

Finally, in Washington, D.C., IJ and the Center for Competitive Politics represent SpeechNow.org in a case experts are calling "among the most important campaign finance cases of the decade." SpeechNow.org is a group of citizens that simply wants to run independent ads supporting or

opposing political candidates based on their position on the First Amendment, but federal law makes it all but impossible to raise the money to do so. Thanks to a unique procedure in federal law, SpeechNow.org's case is on the fast-track to a hearing before all nine active judges on the U.S. Court

Campaign finance "reform" has smothered grassroots political speech with regulations that survey respondents call "worse than the IRS."

> of Appeals for the D.C. Circuit, the last stop before the Supreme Court.

By combining these cases with our expert media relations, "friend of the court" briefs and groundbreaking strategic research, the Institute for Justice is redefining the terms of the campaign finance debate. And, as with all our cases, we are doing it "The IJ Way"putting a human face on the issue by showing courts and the public the terrible real-world effects these laws have on ordinary Americans who want nothing more than to exercise their First

Amendment rights.

Paul Sherman is an Institute staff attorney.

This committee does not anticipate receiving contributions or making expenditures in the future;



# SECOND ROUND FOR

# **BOXING GYM VS.**

MINENT DOMAIN

**Carlos Barragan Jr.** is fighting eminent domain abuse in National City, Calif. His gym, which helps keeps kids out of gangs, could be taken and destroyed to make way for high-end condos.

# By Dana Berliner

A boxer can be down and not out. So it is with a boxing gym. And so it is with their lawyers here at the Institute for Justice. As public interest lawyers litigating cutting-edge constitutional cases, we expect hard fights and we expect to lose sometimes. But we really, really hate to lose on technicalities. Last year, based on a technicality, a state court ruled that National City, Calif., could use eminent domain to bulldoze the Community Youth Athletic Center (CYAC), a nonprofit boxing and educational program for at-risk kids, to make way for upscale condos.

When I say the case was decided on a technicality, I mean an error so small it is difficult to even explain it. The process for challenging eminent domain in California is full of short deadlines and finicky procedures. One of these is that when you challenge the authorization of eminent domain, you have to publish a notice in the newspaper about the lawsuit. That newspaper notice must give a date by which other people can join the suit and oppose the city's plans. The date is counted from the first day the notice appears in the newspaper. In our case, the newspaper changed the day of publication at the last minute, and the corresponding date did not get adjusted. The notice said Friday when it should have said Monday. No one attempted to join the suit on either Friday or Monday, so the error affected absolutely no one. Nevertheless, based on that technicality, the trial court dismissed the CYAC's entire case. That meant that the CYAC could be taken for private development between now and 2017 without any opportunity to defend itself in court.

If this sounds crazy, that's because it is. Your right to keep your own home or business should not depend on nonsense like this. Many states, like California, have erected procedural barriers like these to make it as difficult as possible for people to defend their rights, not just from eminent domain, but from all kinds of government abuses.

It took one year, four legal briefs and an oral argument at the Court of Appeal, but we finally won. The CYAC and IJ are now back in the fight and ready for our next round in court. The appellate court ruled that there was "good cause" for the mistaken date. The court said we can republish the notice and start again. That is an enormous relief to us, to the CYAC and to the hundreds of kids they serve. It is also good news for everyone else in California. This ruling means that courts will allow people to correct minor technical errors instead of just ruling that the government can take their land. So even though we certainly did not start out the case to argue about picayune procedural points, this ruling benefits not just the CYAC, but other people fighting eminent domain in California.

Dana Berliner is an Institute senior attorney.



# **TIMES SQUARE**

# By Christina Walsh

Boosters of eminent domain abuse often point to New York City's Times Square as the best example of the glitzy success that can be achieved through eminent domain for private gain. But the government official who headed up that project and who directed the use of eminent domain there has just published a report with the Institute for Justice in which he states, without equivocation, that eminent domain actually caused Times Square to further decline. Only when government got out of the way to let in true private development, he writes, did Times Square grow into the success story that it is today.

William J. Stern served as chairman and chief executive of New York State's Urban Development Corporation under Governor Mario Cuomo, and oversaw the joint city/ state effort to redevelop Times Square in the early 1980s. In The Truth About Times Square, Stern exposes how Times Square was really reborn: despite decades-long efforts to implement a government-conceived development plan on 42nd Street, officials failed. None of the government's plans ever came to fruition, and it is only when officials got out of the way that private investment flooded the area. According to Stern, "Our extravagant plans actually retarded development. The changes in Times Square occurred despite government, not because of it."

The Truth About Times Square is the fifth installment of Perspectives on Eminent Domain Abuse, our series of independently authored reports that examine eminent domain abuse from the vantage point of noted national experts.

Stern provides a behind-the-scenes account of the government's tumultuous planning to completely remake Times Square. The 42nd Street Development Project envisioned four giant office towers, a 2.4-millionsquare-foot merchandise mart and a luxury hotel. The massive plan relied on the use of eminent domain to condemn the 13-acre area of mom-and-pop shops interspersed with pornography peddlers.

After receiving approval for the project, Stern began seeing "the negative implications of government-directed projects like this—the influence peddling, cronyism and corruption, especially when eminent domain is involved." Stern shares how *The New York Times*, a private company, unscrupulously used its influence to become a key player in the development of Times Square. As it happens, the *Times* was able to use its connections once again to influence the state to condemn an entire city block in Times Square in 2001 for its third and latest headquarters move.

The controversial plan provoked heated confrontation between the city and state, and the government and the community. By the mid-1980s, the plan was falling apart as major tenants dropped out and developers balked. But officials continued to pursue the condemnations, and by 1989, the number of lawsuits brought against the project by property owners reached 40. After years in court, the state was granted approval to seize the massive area and the project collapsed.

Times Square continued on page 10



# MORE PERSPECTIVES ON EMINENT DOMAIN ABUSE AVAILABLE ONLINE: www.castlecoalition.org/publications

Baltimore's Flawed Renaissance: The Failure of Plan-Control-Subsidize Redevelopment, by Stephen J.K. Walters and Louis Miserendino

Simplify, Don't Subsidize: The Right Way to Support Private Development, by Doug Kaplan

Development Without Eminent Domain: Foundation of Freedom Inspires Urban Growth, by Curt Pringle, Mayor of the City of Anaheim

*Eminent Domain & African Americans: What is the Price of the Commons?* by Mindy Thompson Fullilove, MD

# The Challenge Grant That Will Help IJ Make

IJ's Campaign to Restore the Constitution & Protect Economic Liberty

# By Chip Mellor

Americans need cause for hope. Every day brings word of some new government scheme or another financial blow. Opening the morning paper to face this news becomes a small act of courage. Given the government onslaught and the attacks on the free market at every level, it would be easy to give in to discouragement and cynicism, and many have.

At such a dark time, we hope you will take some comfort in the Institute for Justice. We were founded to face overwhelming, seemingly impossible-to-win challenges. Since the day we opened our doors in 1991, we have won "unwinnable" fights. The cases we take, and the issues we champion, are causes everyone else has given up as lost. We have persevered with our trademark resilience and optimism against incredible odds—we face, among other things, decades of case law ruling against us, opponents with virtually unlimited financial resources, and reporters with so many demands on their time it should be impossible to get their attention.

Despite all this, we have fought and we have won time and time again. And after even our most heartbreaking losses, we have remained unbowed. When the U.S. Supreme Court ruled against us in *Kelo*, we regrouped and with the help of friends and supporters turned a devastating defeat into a nationwide property rights movement.

So we are not resigned, and we are not cynical. In fact, we are poised to be more effective than ever, at a time when our work to vindicate the Constitution is of paramount importance. That is why we are so fortunate to have a wonderful and timely opportunity.

Recently, we were issued a challenge by one of our most loyal donors: *Do more of what you do, and do it better than ever.* Robert W. Wilson, a retired investor who has contributed to IJ each year since its founding, has given us an incredible opportunity to push back even harder against the unconstitutional growth of government in our daily lives. He has committed a total of \$5 million to match increases in support from new and existing supporters.

The challenge grant has two components. Three million dollars will build and enhance IJ's overall capacity by enabling us to increase our ability to file new cases, open new state chapters, expand our strategic research and legislative counseling capability, and build our network of grassroots activists. Two million dollars will provide the resources to wage a national campaign to restore constitutional protection for economic liberty—the right to earn an honest living.

# **Examples of IJ's Counter-Narrative to Big Government**

"What does it say about the climate for small businesses in Boston and Cambridge that a guy with a promising business plan needs to turn to out-of-state libertarians to protect his interests in federal court?"

-The Boston Globe

We officially launched the Campaign for Economic Liberty with the Nautical Tours case (see page 1). Through this campaign we will do for economic liberty what we did for eminent domain abuse: elevate the issue to national prominence through a strategic program of litigation, research, media relations, grassroots organizing and legislative counsel.

Indeed, the Institute for Justice is the only organization in the nation with a systematic, comprehensive approach to defending economic liberty. And as we launch this campaign, the need is greater than ever before.

Fifty years ago, one in 20 Americans needed a government license to work in their occupation. Today that number is close to one in three. In 1981, there were roughly 80 occupations that required a license in at least one state. Today there are 1,100. Forbes magazine has dubbed those pushing for such licensure "the new unions," saying: "These modern-day guilds have replaced organized labor as the main vehicle for workers seeking to shield themselves from competition. As the economy has switched from manufacturing to services, some 28 percent of U.S. workers-or 43 million people-now belong to a licensed profession."

The problem stems from the fact that all licensing schemes are governed by the same court-created legal standard, one that gives enormous deference to government. This is known as the "rational basis" standard whereby, so long as the government or the courts can conceive of any justification whatsoever for a government regulation, that regulation will stand. That legal standard is the target of this campaign.

Our efforts on behalf of entrepreneurs blocked from opening businesses by arbitrary laws will strike at the heart of a rule of law that defers to government in almost any economic affair, and will offer a dramatic counter-narrative to the rising call we now face for still more regulation. And in typical IJ fashion, we will produce results, case by case, establishing a constitutional rule of law that prevents the government from using its regulatory power to protect cartels or arbitrarily limit entry into a market.

If the courts are to play James Madison's intended role as the bulwark of liberty, they must bring a presumption of individual liberty to their review of government actions. That is exactly what IJ and our clients seek with each and every case we bring. And as government officials at every level flex their muscles and expand their reach, constitutionally backed scrutiny of their actions by both the courts and the public is more important than ever. In the coming years, as we have done for nearly two decades, the Institute for Justice will be there to ensure

that happens.

Chip Mellor is IJ's president and general counsel.



# How to help IJ make the most of this historic opportunity

Robert Wilson's challenge grant is a \$5 million matching grant over three years (July 2008 through June 2011), with \$3 million aimed at building and enhancing IJ's overall capacity and \$2 million to help us restore constitutional protection for the right to earn an honest living. Through this challenge grant, Robert Wilson will provide one dollar for every two dollars in new or increased support of \$5,000 or more.

So, for instance, if you are giving \$5,000 and are able to increase to \$10,000, you would generate an additional \$2,500 for IJ. If you are giving \$25,000 and increase to \$50,000, you would generate an additional \$12,500 for IJ.

The grant, however, favors multi-year pledges, so if you are giving \$5,000 and **Matching Grant** continued on **page 8** 

"Descending from the level of grand rhetoric [in President Obama's recent address], it is worth considering the case of poor Erroll Tyler, a small businessman who wants to provide amphibious tours of Cambridge and Boston, but is being denied a license by the Boston city council. There are thousands of Erroll Tylers across the country. Surely a bipartisan—and effective—stimulus package would involve freeing them from red tape as well as trying to stimulate demand."



# Mellor Talks to Independence Institute



IJ President Chip Mellor (left) joins Independence Institute President Jon Caldara, who hosted a standing-roomonly speech on *The Dirty Dozen: How Twelve Supreme Court Cases Radically Expanded Government and Eroded Freedom*, a book co-authored by Chip and IJ Board Member Bob Levy. *Publisher's Weekly* wrote about *The Dirty Dozen*, "The authors deftly navigate the complicated proceedings without slipping into lawyer-speak, while unapologetically leaning on their libertarian sentiments to color their commentary and analysis."

# Join with IJ to make the most of an historic opportunity

Matching Grant continued from page 7

simply pledge to continue that support over the next three years, you will earn IJ an additional \$5,000. If you are giving \$25,000 and pledge to increase to \$50,000 a year for the next three years, you will earn IJ an additional \$62,500.

But even donors who are not giving at such a level can still play a very important role in meeting Bob Wilson's challenge. For instance, if you gave \$1,000 in the base year (July 1, 2007 to June 30, 2008), you could qualify for the matching grant by pledging to give \$6,000 over the next three years. This works out to \$2,000 a year and will earn IJ an additional \$2,500 through the matching grant. If you find in any given year that you are unable to meet the obligations of your pledge, there is no penalty to you—IJ simply would not receive the matching funds.

If you are interested in learning more about how to leverage your support through the challenge grant, please contact Beth Stevens at bstevens@ij.org or (703) 682-9320 x. 233.

We are enormously grateful to Robert Wilson for his generosity, which demonstrates not only his belief in our mission, but also his trust in our ability to responsibly and effectively pursue this campaign and all it will make possible.

We thank you for considering how you can help.





IJ Staff Attorney **Jeff Rowes**, left, and President **Chip Mellor**, right, stand with economic liberty client **Erroll Tyler** at a press conference in Boston when IJ first took on Erroll's fight for economic liberty.

Nautical Tours continued from page 1 sightseeing licenses back in 1995, supposedly to reduce traffic problems during a major construction project called the Big Dig. But the Big Dig opened to traffic more than six years ago, and the city still refuses to issue any more sightseeing licenses. Unsurprisingly, a handful of politically powerful companies own all of the existing licenses, which sell for enormous sums on the open market, and they have a huge stake in keeping the number of licenses capped and entrepreneurs like Erroll out.

Rattled by our lawsuit, and subject to uniformly negative media coverage, Boston contacted us within days of our filing a complaint to ask us to call off our suit. The city told us they were working on developing a process for issuing new licenses and it would be much simpler for them if they were not being sued while doing so.

Of course, they would not tell us what that process will be, when it will be unveiled or whether it will contain any assurances that entrepreneurs like Erroll will be able to go into business. Nor is there any guarantee that the new licensing rules will not be heavily slanted—as all such licensing rules are—in favor of existing companies and their invariable desire to squelch competition.

We told Boston to forget it. The city's predictable effort to pacify us with promises of new-and-improved bureaucracy illustrates that governments often just don't understand liberty.

As we explained to Boston in telling them that it is full steam ahead with our lawsuit, Erroll's problem is not a lack of process, procedure or bureaucracy. Our country has an inexhaustible surplus of process, procedure and bureaucracy. What Erroll and every other entrepreneur need is respect for their underlying right to pursue a lawful occupation without unreasonable restrictions.

It is hard to imagine that the descendants of America's brave revolutionaries now waste their time administering a "sightseeing" law that does nothing but protect an entrenched cartel from competition. It is even harder to imagine that these bureaucrats do so—much as Nero famously fiddled while Rome burned—as the economy continues its slide into recession. It is entrepreneurs like Erroll who create jobs not only for themselves, but for others, too, and that is exactly what Boston should be encouraging in this economic climate.

Erroll's case, and indeed IJ's mission, is about restoring the inspiring vision of liberty and constitutional government for which earlier Bostonians sacrificed so much. And we intend to do that whether Boston bureaucrats like it or not.

Jeff Rowes is an Institute staff attorney.



"What Erroll and every other entrepreneur need is respect for their underlying right to pursue a lawful occupation without unreasonable restrictions."

# IJ Earns Telly Award

The Institute for Justice earned a *Telly Award* for our video that tells the tale of how Pinal County, Ariz., harassed San Tan Flat, a popular steakhouse owned by IJ clients Dale and Spencer Bell. The *Telly Awards* honor the very best local,



regional and cable television commercials and programs, as well as the finest video and film productions created for the Web. We are proud to say that IJ's video was produced entirely in-house by our Assistant Director of Production & Design Isaac Reese.



# Former IJ Clerk's Story Sold as New NBC Pilot



Hollywood Reporter recently announced that NBC has picked up for development Barely Legal, a half-hour comedy based on the true story of former IJ law clerk Kathleen

Holtz, "who in November 2007 passed the notoriously difficult California bar at age 18 to become the state's youngest lawyer." Kathleen was a 16-year-old first-year law student at UCLA when she clerked at IJ.

Rob Morrow, of *Northern Exposure* fame, developed *Barely Legal* and will serve as the program's executive producer.

# L<sup>\*</sup>berty



# IJ Trains California Property Owners to Fight for What is Rightfully Theirs

In February, more than 30 threatened property owners and activists joined IJ staff members in Long Beach, Calif., for a Castle Coalition activist workshop.

U's Director of Community Organization Christina Walsh equipped attendees with effective and practical grassroots and media strategies that residents from Long Beach immediately applied by forming a new coalition, Long Beach Citizens Against Eminent Domain Abuse. Officials there recently reauthorized the city's power of eminent domain, putting more than 5,000 acres of homes, businesses and churches on the chopping block for 12 more years. The city is taking advantage of a huge loophole in Prop. 99 (the very weak eminent domain reform tax-hungry government officials sponsored last year to detract support from more robust reform) by requiring new homeowners to submit to ongoing inspections of their property and to meet absurd criteria in order to be exempt from condemnation.

IJ Washington Chapter's Executive Director Bill Maurer explained this convoluted abuse of power in his talk on preparing for legal action in California, where the state's complex redevelopment laws are nearly impossible to traverse and, as demonstrated by Long Beach, open to manipulation by the powers-that-be.

Attendees also heard from Marko Mlikotin of the California Alliance to Protect Private Property Rights and Cruz Sembello, a leader of an activist group in Baldwin Park, which successfully fought the seizure of more than 100 acres for private development by using strategies outlined in the Castle Coalition's *Survival Guide*.

IJ will continue to train and equip activists across the country to fight to keep what they have worked so hard to own until every person's home is once again their castle.◆



Times Square in 1989, left. By this time, the number of lawsuits brought against the 42nd Street Project reached 40, and two anchor tenants had dropped out. Right, Times Square in 2007, flourishing after decades of failed projects and unfulfilled promises.

# "The Great White Way' was restored to its original glory only when the government got out of the way."

### Times Square continued from page 5

Meanwhile, on the heels of the condemnations and lawsuits, the stalled plans and broken promises, Stern notes that something surprising happened: Times Square started to revive on its own, as Viacom, the Walt Disney Company, AMC, Madame Tussaud's Wax Museum and other attractions flooded in. Stern compares this influx of private investment with the 42nd Street of the 1980s, when the government was the key player and nothing was built. During that time, the area just north of 42nd Street–still in Times Square but outside of the project area–saw nearly a dozen private developments announced or completed.

Stern concludes that "Times Square succeeded for reasons that had little to do with our building and condemnation schemes and everything to do with government policy that allowed the market to do its work, the way development occurs every day nationwide." Stern and his colleagues' grand plans for 42nd Street are not responsible for the Times Square of today. "The Great White Way" was restored to its original glory only when the government got out of the way.◆

> Christina Walsh is the Institute's director of community organization.



### Volume 18 Issue 2

### About the publication

Liberty & Law is published bimonthly by the Institute for Justice, which, through strategic litigation, training, communication and outreach, advances a rule of law under which individuals can control their destinies as free and responsible members of society. IJ litigates to secure economic liberty, school choice, private property rights, freedom of speech and other vital individual liberties, and to restore constitutional limits on the power of government. In addition, IJ trains law students, lawyers and policy activists in the tactics of public interest litigation.

Through these activities, IJ challenges the ideology of the welfare state and illustrates and extends the benefits of freedom to those whose full enjoyment of liberty is denied by government.

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Media	05

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# **Quotable Quotes**

# FOX Hannity

IJ client Michael Cristofaro in New London, Conn.: "There's no way your home should be taken away from you just so they can give it to a developer because they can put in a Home Depot or a supermarket to generate more taxes. That was your castle. No one has a right to take it away from you. These were family neighbors here and our house was over there. And now it's just a big wasteland."





# NBC TV Austin

"There are about 10,000 interior designers in Texas, about half of them are unlicensed. Today they say if certain lobbying efforts succeed, it will not only undermine a free market economy, it will put 5,000 people out of work. The unlicensed designers say there is an irony to the whole controversy. [IJ Client Vickee Byrum]: 'We know for a fact that an unlicensed designer did [Governor]

Rick Perry's private quarters. We know for a fact that an unlicensed designer did the Speaker of the House's private quarters.'"

# ABC TV Baltimore

"Funeral costs are astronomical. And did you know those costs are even higher here in Maryland? That's because a state law limits competition by regulating who can own a funeral home. As a result, funerals here can cost as much as \$800 more. But a case in federal court could change that. The Institute for Justice says the law is unconstitutional because it blocks



competition and ends up costing you a fortune on your final expenses."

### **Richmond Times-Dispatch**

"If Maryland's [funeral home] law were unique, then it might hardly merit mention. But it numbers among a great many statutes across the country. African-style hairbraiders have run afoul of . . . licensing [laws] in several states, [as have] interior designers in Texas, Connecticut, and Oklahoma [and] would-be taxi drivers in many major metropolitan areas. . . . [A]n essential component of economic progress is economic freedom. Tabulations of nations' economic liberty repeatedly show that the more leeway individuals and companies have to move about in the economic sphere, the more prosperous the society becomes." I wrote a book about eminent domain abuse.

Then, the developer who would benefit from this misuse of government power sued to censor me.

am fighting to protect free speech and private property.

I am IJ.

And I will win.

Carla Main Jersey City, NJ

"The Institute for Justice [is] a publicinterest law firm . . . dedicated to protecting the Constitution's guarantees of economic freedom."

-The Wall Street Journal



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Institute for Justice 901 N. Glebe Road Suite 900 Arlington, VA 22203 Institute for Justice First Amendment Litigation

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