

Eminent Domain and the Public Good: The Poletown Case Revisited.

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Abstract

In this paper we briefly trace the history of eminent domain law in the U.S, including the 2005 U.S. Supreme Court decision in *Kelo v. City of New London*, which allowed property to be condemned for the purpose of building a research facility for the Pfizer Corporation. We review the use of the terms “public use” and “public purpose” in precedent cases, and propose that they can lead to different legal outcomes. We specifically re-examine the 1981 Michigan Supreme Court decision that allowed a 465 acre area in the heart of Detroit known as “Poletown” to be condemned for the purpose of building a General Motors plant which promised thousands of jobs during a time of economic turmoil for Detroit and surrounding communities. Many residents came together to form the Poletown Neighborhood Council (PNC) to oppose the condemnation and destruction of their homes and community, but they did not have adequate bargaining power and resources to prevail against the economic interests of General Motors and the cities of Detroit and Hamtramck. The resulting condemnation of hundreds of homes, businesses, and a fifty year old Catholic church has been cited as a textbook case of social injustice. In 2004, the Michigan Supreme Court reversed its earlier Poletown decision and, in 2016, Michigan voters passed Proposition 4, which placed significant restrictions on future eminent domain actions in Michigan. We examine the question of whether the economic interests of a corporation can represent the public “good” and propose some factors that future courts should consider in eminent domain cases. Among these are the social and psychological costs associated with these actions, and the intangible social value of neighborhoods and communities.