

## Sec. 8—Powers of Congress

## Cls. 11, 12, 13, and 14—War; Military Establishment

cable to such takings.<sup>1656</sup> But as to property seized and destroyed to prevent its use by the enemy, it has relied on the principle enunciated in *United States v. Pacific Railroad* as justification for the conclusion that owners thereof are not entitled to compensation.<sup>1657</sup>

**Rent and Price Controls.**—Even at a time when the Court was using substantive due process to void economic regulations, it generally sustained such regulations in wartime. Thus, shortly following the end of World War I, it sustained, by a narrow margin, a rent control law for the District of Columbia, which not only limited permissible rent increases but also permitted existing tenants to continue in occupancy provided they paid rent and observed other stipulated conditions.<sup>1658</sup> Justice Holmes for the majority conceded in effect that in the absence of a war emergency the legislation might transcend constitutional limitations,<sup>1659</sup> but noted that “a public exigency will justify the legislature in restricting property rights in land to a certain extent without compensation.”<sup>1660</sup>

During World War II and thereafter, economic controls were uniformly sustained.<sup>1661</sup> An apartment house owner who complained that he was not allowed a “fair return” on the property was dismissed with the observation that “a nation which can demand the lives of its men and women in the waging of . . . war is under no constitutional necessity of providing a system of price control . . . which will assure each landlord a ‘fair return’ on his property.”<sup>1662</sup> The Court also held that rental ceilings could be established without a prior hearing when the exigencies of national security precluded the delay which would ensue.<sup>1663</sup>

But, in another World War I case, the Court struck down a statute that penalized the making of “any unjust or unreasonable rate

<sup>1656</sup> *United States v. Commodities Trading Corp.*, 339 U.S. 121 (1950); *United States v. Toronto Navigation Co.*, 338 U.S. 396 (1949); *Kimball Laundry Co. v. United States*, 338 U.S. 1 (1949); *United States v. Cors*, 337 U.S. 325 (1949); *United States v. Felin & Co.*, 334 U.S. 624 (1948); *United States v. Petty Motor Co.*, 327 U.S. 372 (1946); *United States v. General Motors Corp.*, 323 U.S. 373 (1945).

<sup>1657</sup> *United States v. Caltex, Inc.*, 344 U.S. 149, 154 (1952). Justices Douglas and Black dissented.

<sup>1658</sup> *Block v. Hirsh*, 256 U.S. 135 (1921).

<sup>1659</sup> But *quaere* in the light of *Nebbia v. New York*, 291 U.S. 502 (1934), *Olsen v. Nebraska ex rel. Western Reference and Bond Ass'n*, 313 U.S. 236 (1941), and their progeny.

<sup>1660</sup> *Block v. Hirsh*, 256 U.S. 135, 156 (1921).

<sup>1661</sup> *Yakus v. United States*, 321 U.S. 414 (1944); *Bowles v. Willingham*, 321 U.S. 503 (1944); *Lockerty v. Phillips*, 319 U.S. 182 (1943); *Fleming v. Mohawk Wrecking & Lumber Co.*, 331 U.S. 111 (1947); *Lichter v. United States*, 334 U.S. 742 (1948).

<sup>1662</sup> *Bowles v. Willingham*, 321 U.S. 503, 519 (1944).

<sup>1663</sup> 321 U.S. at 521. The Court stressed, however, that Congress had provided for judicial review after the regulations and orders were made effective.