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Activist Alleges Cheap Buyout Of E. St. Louis Land

By Roy Malone
Of the Post-Dispatch Staff

Poor black people in the Rush City area of East St. Louis are victims of "an unscrupulous buyout" by secret land purchasers who have bought up 60 percent of the property, the Rev. Buck Jones said Thursday.

"It's the rich exploiting the poor," Jones said at a news conference before meeting with about 30 residents at the Gospel Feast Pentecostal Church in Rush City.

"It's in a land trust so you can't identify the owner."

Fewer than 200 people live in the area, which in the 1960s had more than 1,000, residents said. Jones urged them to join together and demand a fair price or "a house for a house."

"What's wrong with giving people a fair chance?" Jones said.

Jones said the buyout began about five years ago when the chemical firms at Sauget decided they needed a buffer area because residents were complaining of breathing problems from chemical emissions and spills. Dozens of residents were treated at hospitals after some of the emissions.

A study by Project HOPE, a community group based in East St. Louis and headed by Jones, says the average price paid for homes was $4,000, but some have been bought for as low as $2,000, Jones said.

Most of the offers are from a real estate firm in St. Louis County that puts the property into a land trust, Jones said. The real estate firm will not identify the true buyers, he said.

"The buyout of Rush City is a case of the rich and powerful exploiting the poor and elderly. It's disgraceful," Jones told the residents.

Many of the residents said their neighbors had sold for low prices because they feared the noxious gases, had to pay high taxes and could not see their children wanting to live in the area.

A suit was filed several years ago on behalf of the residents. But some said Thursday that they thought the suit had been withdrawn. Their attorney has not stayed in contact. No health studies of the residents have ever been done by governmental agencies, Jones said.

One resident, Inez Gavin, said the real estate agents kept asking her who was willing to sell, "But not one time has anyone from the plants been to us to tell us about buying us out."

Another homeowner, Anna Slaughter, asked: "How long do we have? I'm going to stay where I am until the good Lord takes me. I'd rather be here than anyplace I know."

"The buyout of Rush City is a case of the rich and powerful exploiting the poor and elderly."

BUCK JONES, East St. Louis activist

The Rev. James F. Hall, pastor of the church, said: "They want to get Rush City out of the way and use the land for development. But they don't want to give us a fair price.... We should not let the real estate people pick us off one by one."

Jones added: "I want to see you get what you deserve and not be treated like the American Indians, kicked off your property.

"You dared to exercise your right to breathe clean air," Jones said. "You filed a suit, so they declared war. They're fighting you with corporate lawyers, political power, planners and technicians. There have been a lot of casualties — displaced lives, families uprooted, dreams turned into nightmares. Sixty percent of the land in Rush City has been stolen."

Jones said he had heard that Monsanto Co. had been involved in the buyout. But a spokesman for the company, Kevin Cahill, said: "It's not Monsanto. We haven't bought any property there."

Cahill said formation of a coalition of firms to buy the Rush City property was discussed several years ago, "but that coalition never came together." He said other manufacturers in the Sauget area might be buying property.

Project HOPE has tried to help the Rush City residents who over the years have been subjected to noxious fumes from nearby chemical firms in Sauget. Jones said more than 80 emergency responses had been made in the last four years.

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Halcion Ruling Monday May Not Change Weak Outlook For Upjohn

By Phillip E. Nalbone
Dow Jones Staff Reporter

NEW YORK -DJ- Analysts say a favorable Food and Drug Administration committee review of Halcion won't do anything to change Upjohn Co.'s weak fundamental outlook over the next couple of years.

They say Upjohn's problems over that period will include new competition in the sleeping medications market, a lackluster new product portfolio and patent expirations on at least three key drugs, including Halcion.

Most analysts expect the Kalamazoo, Mich.-based company's earnings this year and next year to grow at about half the rate of the pharmaceutical industry average, and most are forecasting earnings declines in 1994 and 1995.

The primary objective behind Upjohn's request for the FDA committee review, says Brown Brothers Harriman & Co. analyst Gordon D. Platt, ''is to salvage what they can of the Halcion business before the patent expiration'' next October. ''Realistically, they're not going to restore sales growth for Halcion,'' he says. ''They just want to preserve what sales they can.'' Sales are likely to plunge after the patent expires, he says, as lower-cost generic versions of the drug become available.

Also next October, the patent expires on Upjohn's anti-anxiety drug Xanax. In May of 1994, the patent expires on Micronase, an oral anti-diabetes drug. And the patent status of the nonsteroidal anti-inflammatory drug Ansaid is also up in the air; the patent is set to expire in February of next year, but Upjohn has applied to Congress for a two-year extension under the terms of the Waxman-Hatch Act.

The net result of all four patent expirations, according to PaineWebber analyst Ronald Nordmann, would be that ''over the next two years, products that represent one-third of (the company's) worldwide sales and one-half of worldwide earnings come off patent and are subject to generic competition.''

Ira Loss, an analyst at the Washington Analysis Corp. unit of County NatWest Securities USA, thinks the FDA review will be something of a Phyrric victory for Upjohn.

''Despite whatever congressional critics might say, the FDA has been very much on top of the Halcion issue for many years - long before Europe caught on to the problem,'' Loss says. ''Consequently, there's not likely to be anything brought to light clinically that will change the marketing status of the drug. But in a lot of ways, this whole decision is probably academic because of the lost business due to the negative publicity and the appearance of at least one major new competitor'' to Halcion.

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