

# Deadly house fires in Detroit: Who is responsible?

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Fires in Detroit-area homes with suspended utilities have claimed the lives of several people in recent months. On Tuesday, three young children died of smoke inhalation the very same day that energy conglomerate DTE Energy cut off electricity and gas to their home on Bangor Street on the city's west side.

In early January, three people—two of whom were disabled—died in a fire caused by a space heater after DTE had suspended gas heat to their house on Dexter Avenue. Last winter, three young children and their aunt died in a house fire in Highland Park. The house was without gas or electricity, which had been suspended by DTE.

This basic fact is not in dispute: Households that either have their utilities suspended or cannot afford payments inevitably turn to unsafe heating methods to provide warmth, light candles for illumination, or attempt to tap into the electrical grid without authorization. These efforts to secure the basic human necessities of heat and light result in hundreds of deaths each year across the US.

Yet the media and authorities regularly treat the fires that result as though they were random accidents, or worse, pin blame on the victims themselves for either not paying their bills, “stealing electricity,” or for using unsafe lighting and heating methods. This is the case in the Bangor Street fire. Before the ashes had even settled, Detroit media outlets were insinuating that the mother of the three dead children, Sylvia Young, 30, was responsible.

Instead these recurrent tragedies are the inevitable result of the subordination of the most elemental needs of the population to the profit imperative of what are, in essence, private monopolies. Those who cannot pay the rates demanded by the energy giants like DTE are simply cut off.

Rising utility prices over the past several years coupled with the severe economic crisis has pushed the number of American households that cannot pay their utilities into the millions. In 2009, 4.3 million homes were disconnected from one or more utility. Over 8.8 million households will have received heating assistance by winter's end, up from 7.7 million last year and 5.7 million in 2008, according to the National Energy Assistance Directors' Association (NEADA). Demand for heating assistance is such that many state heating assistance programs are running out of cash.

## **DTE's utility suspension policy: No exceptions in the winter, or for children and the disabled**

DTE Energy reports that it shut off utilities to 221,000 households in southeast Michigan in 2009—a 50 percent increase over 2008. With the average US household size of 2.6, this means that upwards of 575,000 people had utilities suspended in 2009—more than 10 percent of the region's residents.

This number does not reflect the number of southeast Michigan residents who live for extended periods without power or gas. Some may pay bills and resume utility service, but the number of those who are unable to pay builds up year after year. Asked by the *World Socialist Web Site*, a spokesman for DTE said that he did not know how many households in the area have no power or light.

The spokesman, Len Singer, told the WSWS that there are possibilities available to those who face difficulties in paying their bills, including LIHEAP (Low Income Heating Assistance Program) and private charities. These options, however, did not meet the needs of the population even before the full onset of the economic crisis. DTE's record utility suspensions for the year 2009 make clear the derisory character of the aid available to those in need.

DTE freely admits, moreover, that all of these options are predicated on the household providing payments to DTE. In a city, Detroit, where nearly half of the working age adults are unemployed, and in a state, Michigan, with the highest official unemployment rate in the nation, for many making these payments is simply impossible. This is not limited to Michigan; there are currently some 6 million American households that have no cash income and rely on food stamps for survival.

In the old and often uninsulated housing stock that dominates cities like Detroit, heating bills are frequently counted in the hundreds and even thousands of dollars. Households that are suspended must provide substantial payments to DTE before they are allowed back “on line.” Many residents who move within the city of Detroit owe substantial back payments to DTE and do not attempt to start service upon relocation.

The WSWS pointed out to DTE spokesman Singer that there are a number of cold-weather states that bar suspension of utilities in the winter. Michigan, where average daily temperatures descend below freezing for four months, is not among them.

DTE has no policy against winter suspensions, Singer conceded. Instead, he stressed again the “many options” available to state residents to avert utility suspensions in the winter—which have patently failed to stem the rising tide of shut-offs. But if DTE is not receiving payments the company will shut off power.

“What about households with children, the elderly, disabled? Are there exceptions?” the WSWS asked. Again Singer mentioned the charities and state services available, but responded in the negative. “As long as the household is making some sort of payment level that is agreed upon,” service can continue, he said.

As for households that have tapped into the power grid—what DTE and other utilities call “energy theft”—the corporation has a “zero tolerance” policy. Singer stressed that this is necessary as a public safety measure. (He did not mention that the practice subtracts from DTE’s revenue stream.)

No one would disagree that siphoning off electricity from the power grid is dangerous. It is, however, a measure of the economic distress and desperation that people resort to such measures, which have led to electrocution. Moreover, as the recurrent house fires in Detroit make clear, the suspension of utilities with no regard to the age and health of those living inside is not only dangerous, it is deadly and criminally negligent.

Singer said that the suspension of houses not legally on the power grid is a blanket policy. They attempt to make contact with residents prior to suspension, but cut power regardless. There are no exceptions for those living inside.

Mike Lynch, chief security officer of DTE, denounced households with unauthorized hook-ups as “thieves” in a recent interview. “It affects you and it affects me, because we all pay higher utility rates because of these thieves who are stealing electricity and getting it for free,” he said.

### **Capitalist control of the utilities: Who benefits?**

Behind DTE’s utility shut-off policies, whatever their protestations to the contrary, is the drive for profit. DTE’s fourth quarter 2009 profits declined by 7 percent, most of the dip coming from its Detroit Edison unit’s losses related to the economic crisis in southeast Michigan—the collapse of the auto industry and the inability of growing numbers of customers to pay, due to layoffs and wage cuts.

“Slumping demand has been hurting utilities across the country, and DTE has been doubly challenged as its home territory of Michigan has been stung by declines in the auto and steel industries,” the *Wall Street Journal* notes. In response, the company was able to secure a \$217 million rate increase for Detroit Edison from the Michigan Public Utilities Commission, “which led Standard & Poor’s Ratings Services to lift its outlook on the company to stable from negative.”

DTE still posted profits of \$120 million in the fourth quarter and total revenues of \$2.12 billion.

The private ownership of utilities in the US does not benefit the broad mass of the population. Detroit is an extreme example of a

widespread phenomenon. Tens of millions of US families, according to surveys, regularly choose between buying food, filling medical prescriptions, and paying for utilities.

Few would claim that the utilities available to them provide good service. Visitors to the US from other advanced economies are often struck by the ubiquity of above-ground power lines, which seems to them a relic of a bygone era. The severe storms typical for much of the US ensure that these power lines, generally strung between wooden poles at heights of 20 or more feet, are knocked down, cutting off power to thousands of households. They are not replaced by safer and more durable underground delivery primarily because of the high outlays this would require from the major power companies.

Who then benefits from the private control over such elemental needs as heat and electricity? The top executives of the energy firms, the major stockholders, and behind them, the same US finance industry that has been handed trillions of dollars from the US Treasury and Federal Reserve by the Obama administration.

Anthony F. Earley, the CEO of DTE, took home compensation of \$4.68 million in 2008, according to *Forbes*, making him the 277th highest paid executive in the US. This one-year salary would provide about the equivalent of LIHEAP grants for 900 different families. Earley lives in a mansion in the elite Detroit suburb of Bloomfield Hills. It is certain that neither he nor his neighbors are at risk of utility suspensions.

Yet Earley’s wealth is dwarfed by the extremely rich, whose fortunes are counted in the billions. About 50 individuals in the US each have personal wealth estimated to be equal to or greater than the \$5.1 billion Congress has allocated this year to provide home heating assistance to 8.8 million Americans.

These are not unrelated statistics. The building up of such vast personal fortunes requires the impoverishment of the masses. This finds a particularly noxious expression in the suspension of utilities to working class families during Michigan’s cold winter.



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