

# Detroit mayor appoints DTE executive to top post

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Detroit Mayor Dave Bing continues to add former DTE Energy executives to his staff, announcing on Friday the appointment of Robert Buckler as the city's chief operating officer (COO). Buckler retired as president and COO of Detroit Edison, the DTE subsidiary that provides utility service to the city, in December 2008.

With his addition, three of Detroit's top administrative positions—mayor, COO, and chief financial officer—will be held by former leading personnel from DTE, including Bing himself, who served on the company's board from 1985 to 2005.

Buckler held the leading post at Detroit Edison for three years, starting in 2005. Prior to this, he directed DTE's work in energy distribution. In total, Buckler was employed by the energy giant for 35 years.

In 1972, he joined Detroit Edison as an engineer, after which he began to ascend the corporate ladder, ultimately entering the ranks of DTE's executive elite in the 1990s. He is familiar with nearly every aspect of the company's operations and business interests, having worked over the course of his career in the production, supply, marketing, and planning sides of DTE's affairs.

As the current CEO Anthony F. Earley explained on the occasion of Buckler's retirement, "Bob has devoted his entire career to Detroit Edison and DTE Energy."

In 2008, the last year that Buckler led Detroit Edison, the energy giant shut off utility service to 142,000 households. Assuming an average household size of 2.6 persons, Buckler directed the company's operations during a year in which upwards of 390,000 people saw their heat and/or electricity service terminated.

That same year, Detroit Edison posted revenues of \$1.35 billion, helping make DTE a Fortune 500 company. In short, the company's profits and

Buckler's business credentials grew, even as DTE's shutoffs led to freezing and fire deaths, and general misery throughout the Detroit area.

In the aftermath of a series of deadly fires in Detroit homes where DTE had cut off the heat and electricity, the Socialist Equality Party launched an inquiry into utility shutoffs. This effort exposed the fact that DTE is knowingly endangering the lives of area residents by terminating service for non-payment. To read the inquiry's findings click [here](#).

In entering Mayor Bing's administration, Buckler will be joining several of his colleagues who have already made the trip from DTE's downtown headquarters to the city's executive suite.

George Jackson, Jr., a former DTE executive, is Detroit's chief development officer. According to *Crain's Detroit Business*, Kwame Kilpatrick, Detroit's mayor before Bing, who was forced to resign amid corruption allegations, used to refer to Jackson as "my little general."

Buckler will also work alongside Albert Fields, who used to be the manager of economic development at DTE and was recently appointed to the mayor's finance staff.

Most importantly, Buckler will be working closely with Mayor Bing himself, who sat on DTE's board of directors for 20 years. Bing is a close personal friend of current DTE CEO Earley, who, along with his wife, chaired the mayor's inaugural committee.

Even as the energy giant inflicts suffering on working people throughout southeastern Michigan by charging exorbitant rates and terminating service, its former executives are being handed top administrative posts in Detroit's municipal government in order to shape policy on behalf of DTE and other corporations.

The news media has featured the fact that in

becoming Detroit's COO, Buckler agreed to forgo his \$156,000 annual salary. He is able to do this because his time spent working for DTE made him a millionaire. In the course of just two years, 2006 and 2007, Buckler brought home nearly \$5 million in total compensation from the company, through a combination of salary, stocks and other rewards.

Buckler is a leading player in a number of business and civic organizations that are backers of Mayor Bing's plans to shut down large portions of the city and force impoverished residents to relocate by shutting services to their neighborhoods. He is vice chairman of the Downtown Detroit Partnership and the Detroit Regional Chamber of Commerce, as well as chairman of Wayne County Economic Development board of directors.

In his capacity as the city's COO, Buckler will now have responsibility for implementing Bing's shutdown plans, which include bulldozing entire neighborhoods, ending the provision of basic services (i.e., garbage pick-up, street repairs, emergency response), and shuttering schools, hospitals, and other public facilities.

In a recent *Detroit News* article Steven Kurmas, the president of DTE's Detroit Edison division, praised the city for beginning to tear down thousands of abandoned houses. He complained that the unused structures were a major source of lost revenue because homeless people squatting in them were "stealing electricity" through unauthorized hookups.

DTE will benefit from the process of shrinking the city because it will no longer be forced to shoulder the costs of maintaining gas and power lines to areas where there are few paying customers and profit margins are slim. Moreover, DTE's special "revenue protection unit," which shuts off up to 500 unauthorized hookups each day, will have less territory to patrol.

According to an April 25 article in *Crain's Detroit Business*, the company has already been able to improve its financial standing on Wall Street through its cost-cutting measures. Fitch Ratings just raised DTE's rating from negative to stable, citing as its major reasons DTE's recent cost cutting and rate hikes.

In 2009, DTE slashed costs by \$130 million, \$65 million of which came from savings in "utility operating and maintenance." The company plans to reduce costs by another \$60 million in 2010.

Over the last several years, DTE has cut thousands of jobs, including 1,200 linemen, and shut down several customer centers. The company is now seeking major concessions from utility workers.

Even as Detroit is being dismantled at the hands of former DTE executives, the company's financial prospects continue to improve.

"After having its electricity sales drop 7 percent last year in Michigan's struggling economy, things are definitely looking up for DTE Energy Co.," reports the same *Crain's Detroit Business* article.

It goes on to note that as of February 2010, Detroit Edison's industrial sales rose by 15 percent and residential sales by 1 percent compared to a year earlier. These figures are "among pieces of a brighter picture in 2010," the newspaper notes, before going on to outline the numerous areas in which DTE is expanding its profits.



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