For public ownership of DTE Energy

Jerry White 12 June 2010

In an article that appeared on the *Huffington Post* web site Thursday, Mike Langford, the president of the Utility Workers Union of America (UWUA) and an executive board member of the AFL-CIO, called for private utility companies such as Detroit-based DTE Energy to be placed under "public ownership."

The article, co-written by Langford and his chief of staff and assistant, Stewart Acuff, begins with a reference to a mass meeting of DTE Energy workers on June 1, which voted 97 percent to authorize a strike against the demands of the energy giant.

At that meeting, supporters of the Committee Against Utility Shutoffs (CAUS), initiated by the Socialist Equality Party last month, distributed an appeal to DTE workers that called for the nationalization of DTE and its transformation into a publicly owned utility controlled democratically by the working class.

There is no doubt that Langford's article was a response to the campaign by CAUS among utility workers and the fact that this campaign has received significant support among the workers.

However, Langford and the union leadership have no intention of fighting either for a ban on shutoffs or a public takeover of the company. On the contrary, the UWUA is deepening its collaboration with DTE management. Just days before his article appeared, the UWUA defied the overwhelming strike vote by its members and signed a deal that DTE hailed for providing "competitive" wages and benefits. In his article, Langford praises the deal as a "good agreement."

Given the AFL-CIO's long record of labor-management collaboration, hostility to socialism and servitude to the Democratic Party, it is clear that Langford's article was an effort to provide the UWUA with a "left" cover as it tries to ram another sellout contract down its members' throats.

"We are convinced," Langford and Acuff write, "that it is past time to convert our utilities to public ownership as is the case with most water and waste-water utilities. The right to utility service is a human right."

They add, "Eleven people in Detroit died last winter when their utilities were cut off and that right snatched away."

"To allow life and death decisions to be made based on profit concerns is a violation of human rights," they continue, concluding, "The delivery of public utilities is a public good and should be provided by entities that are publicly owned to ensure that life and death decisions are made in the best interests of all and not in the narrow interests of overpaid managers and shareholders."

All of this is true.

The actual *fight* for public ownership, however, requires an entirely new perspective and policy, which is the polar opposite of that pursued by Langford and the AFL-CIO.

First, such a struggle requires the mobilization of the working class against the Obama administration and the two parties of big business, the Democrats and Republicans. Since his election Obama has waged a war against working people, gutting the jobs and living standards of auto workers, backing the firing of public school teachers and slashing social spending. Meanwhile, he has handed trillions to the Wall Street banks.

The UWUA and the AFL-CIO squarely line up with this right-wing government. In the run-up to the mid-term elections, the AFL-CIO plans to carry out its biggest effort to elect Democrats ever, surpassing the \$53 million it spent on the Obama campaign.

Second, the struggle for the public ownership of the private utility companies is a reform that challenges the basic property interests of America's ruling elite. It cannot be achieved outside of the revival of the class struggle on a mass scale.

The history of America—from the Civil War, to the struggle for the eight-hour day and the organization of industrial unions in the 1930s, to the struggle for civil rights—has proven that nothing can be achieved against the entrenched economic and political powers that rule this country except through the entry of the masses into the fight.

Langford refers to the tragic death of 11 people who

were killed in house fires last winter after their utilities were turned off. If the union were serious about organizing a struggle against DTE it would defy management orders to discontinue service to working class families and defend any utility worker who faced victimization for doing so. Such an action would immediately weaken DTE and generate enormous support for DTE workers among the workers and unemployed of Detroit.

But the UWUA and the AFL-CIO are completely opposed to such a struggle. The AFL-CIO has not carried out a serious struggle in decades, instead working systematically to impose concessions contract after concessions contract on its membership—including the latest agreement reached by UWUA Local 223, despite overwhelming support for a strike.

Finally, there is the matter of what is meant by "public ownership." The Committee Against Utility Shutoffs (CAUS) calls for public ownership of the utility monopolies *under the control of the working class*. This is critical, because otherwise "public ownership" becomes a cover for altering the forms by which the corporate and financial elite controls public services, not removing that control.

The municipal-owned water and sewerage systems Langford cites as a model for public ownership are under the whip of big bondholders, which demand the constant lowering of labor costs, downsizing and the shutoff of services to those who cannot afford exorbitant rates. In Detroit, Mayor Bing, acting on behalf of the Wall Street banks, is demanding sweeping concessions and layoffs of city workers and is preparing the privatization of the public lighting system and its handover to DTE.

Moreover, GM was supposedly taken over by the government, which controls 61 percent of the automaker's shares. The Obama administration used its control, not to defend the interest of working people, but to demand the slashing of tens of thousands of jobs, the shutdown of dozens of plants and the imposition of poverty level wages for new workers. It is now planning a sale of GM, which is expected to net billions in fees for the Wall Street banks arranging the sale.

The transformation of DTE into a genuinely publicowned utility, which serves the interests of working people, not the super-rich, requires a fundamental restructuring of the entire economy and breaking the stranglehold of the financial aristocracy. Not only would the utility companies have to be nationalized under workers' control but also the banks and major industries. Only in this way can economic life be reorganized to serve the needs of the people as a whole, not the wealthy few. That means the struggle to replace capitalism with socialism.

The trade unions totally oppose this. Their defense of capitalism is summed up by Langford's comment on the role of the UWUA during the 9/11 attacks in New York City. Utility workers, he writes, shut off power to the Twin Towers and "[t]hen we worked 24 hours a day to restore it so the stock exchange and America's business could resume."

This sentence is included in the article to make clear that the UWUA is entirely committed to the defense of the profit system, whatever its talk of "public ownership."

There is a good reason the UWUA president shows such deference for Wall Street. The union has amassed a large number of DTE shares in its Health and Welfare Trust Fund and other joint investment funds managed by Wall Street firm Morgan Stanley-Smith Barney. The top officials of the UWUA have a direct financial stake in collaborating with management to slash labor cost and boost share values.

Unlike the union officials, however, utility workers and the victims of DTE's shutoff policies have no similar stake. Instead they face a common enemy and a common struggle to defend jobs and living standards, and to guarantee heat, lights and electricity as a basic human right.

A fight against DTE requires the political mobilization of the entire working class, organized independently of and in opposition to the trade unions, on the basis of a socialist program. This is the perspective fought for by the Socialist Equality Party. We urge utility workers and other workers in the Detroit area who agree with this program to join the SEP and take up the fight for socialism.



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