

# **The socialist solution to the crisis in Detroit**

## **Statement by Jerry White, SEP candidate for US president**

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23 March 2012**

As the Socialist Equality Party candidate for president, I want to express my solidarity with working people in Detroit who are facing drastic attacks on jobs, living standards and social services.

The proposal by Michigan Governor Rick Snyder to impose an unelected financial control board to run Detroit with the power to rewrite union contracts, impose spending cuts and sell public assets amounts to the establishment of a Greek-style bankers' dictatorship over working people. However, Detroit Mayor David Bing and the city council offer no alternative, only proposing that they be allowed to carry out massive cuts themselves with the collaboration of the trade union bureaucracy.

The Bing administration has already begun the layoff of one thousand city workers, including bus drivers and mechanics, and has secured tentative agreements for massive cuts in pay and benefits from city worker unions. For its part, the City Council has called for even more drastic cuts, including 2,300 layoffs.

The official unemployment rate in Detroit is over 30 percent, and real unemployment is closer to 50 percent. More than half of children in Detroit are living in poverty, and basic services such as bus transportation, trash pickup and street lighting are in an advanced state of decay.

The social catastrophe unfolding in Detroit underscores the failure of the capitalist profit system. The city was once the automotive capital of the world, with a population of 2 million, in which workers enjoyed some of the highest living standards in the US. Now it is barely one-third its former size, with a population of just over 700,000. Large areas of the city are scenes of social devastation, littered with abandoned and burned-out homes and business.

After extracting untold wealth from the labor of

generations of workers in Detroit, big business has abandoned working people in the city to poverty and hunger.

Now Detroit is being used as a precedent for further drastic attacks on the jobs and living standards of working people across the United States and internationally.

A fight against these conditions requires the building of a new political party that represents the interests of the working class. Both the Democrats and Republicans are controlled by the corporate elite, which finances their campaigns to the tune of hundreds of millions of dollars.

The Obama administration is using Detroit as a testing ground for its right-wing policies. This includes the effort to privatize education through the expansion of charter schools, and the drive to impose poverty-level wages in the United States as the basis for a "recovery" of manufacturing.

Obama's secretary of education, Arne Duncan, has called Detroit "ground zero" in the struggle for school reform under conditions where the emergency manager over the Detroit Public Schools has shuttered scores of buildings across the city. Meanwhile, the Obama administration's forced restructuring of the auto industry slashed tens of thousands of jobs and cut the pay of new-hires in half.

In Detroit, the main concern of the Bing administration is to prevent a social explosion while carrying out the financial demands of the wealthy municipal bondholders. Bing prefers to work with the unions to impose the cuts while suppressing the resistance of workers.

Workers should reject the claims by various Democratic politicians and middle-class protest groups such as BAMN who present the struggle in racial

terms. The promotion of racial politics, long the stock and trade of politicians in Detroit, serves to throw dust in the eyes of the working class, cover up the fundamental issue of class, and maintain the political stranglehold of the Democratic Party.

The struggle facing working people in Detroit is not simply a Detroit issue. The same attack on wages and social programs is being imposed throughout the Detroit metro area, in every city and in every country, against workers of every race and nationality. The campaign against the cuts in Detroit therefore requires the mobilization of all sections of the working class on the broadest possible basis on a common program, one that aims to put an end to the domination of a wealthy elite over all aspects of economic and political life.

The Socialist Equality Party is running in the 2012 elections to provide such a program. We insist that the working class has certain fundamental, inalienable social rights that it must fight for. These rights include the right to decent-paying, secure jobs, the right to affordable housing, the right to decent health care and education, the right to a comfortable retirement.

These rights are not compatible with capitalism—a system based on the exploitation of the vast majority in the interests of a tiny minority. The alternative to capitalism is socialism. Socialism means genuine equality. The economy must be reorganized on a more rational and just basis, so that the working class, which creates all the wealth in society, controls production to meet human needs, not private profit.

I ask working people in Detroit to consider these issues. If you agree, I urge you to become involved in the election campaign of the Socialist Equality Party.

*For more information on the SEP campaign and to become involved, visit [socialequality.com](http://socialequality.com).*



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