

No to bankers dictatorship in Detroit!

Of Jerry White, SEP candidate for US president
10 April 2012

The “consent agreement” reached between the Detroit City Council and the administration of Michigan Governor Rick Snyder is the outcome of a conspiracy against the Detroit working class. It was drawn up behind closed doors by the bankers, and dictated to their political servants in the Democratic and Republican Parties and the trade unions.

I call on workers throughout the Detroit metropolitan area to begin mobilizing against this latest attack. This requires the building of new organizations of struggle, based on a new political program.

The consent agreement gives city officials the power to dictate union contracts and carry out huge cuts in public services. It requires the city to scrap recently negotiated concessions agreements with city worker unions totaling some \$360 million and impose even deeper cuts. These include drastic changes in work rules and the replacement of a defined benefit pension plan for new hires with a 401(k) type program. Also targeted are health care benefits and pensions of retired city workers and their families. Thousands of workers will lose their jobs.

Like the savage austerity measures imposed on workers in Greece, the attacks on working people in Detroit will be used as a benchmark for an assault on working people across the United States and internationally. The Obama administration frequently cites Detroit as its model for the “turnaround” of the US economy. It is being used as a testing ground for Obama’s right wing policies, including the privatization of public education through the expansion of charter schools and the slashing of autoworkers wages to poverty levels.

As it seeks to impose the most unpopular policies, the ruling class is increasingly doing away with even the pretense of democratic control.

The consent agreement gives enormous powers to unelected bodies, which have the final say on financial matters. It creates a nine member financial advisory board, appointed jointly by the city and state government, that will review and monitor budgets. In addition, a chief financial officer and projects manager will be given the

authority to intervene and impose spending cuts and oversee the downsizing and consolidation of departments.

The outcome of the “debate” between Lansing and Detroit is that city officials will retain their role in enforcing the attack on the working class. However, if Lansing determines that the attacks are not deep enough, it retains the right to appoint an Emergency Manager, with dictatorial powers to void union contracts, sell city assets, slash services and even remove elected officials.

The entire political establishment is united against the working class, which has no representation. Whatever their tactical differences, the Democratic controlled Detroit City Council, Mayor Dave Bing, Republican Governor Rick Snyder, Democratic Party State Treasurer Andy Dillon and the heads of the various unions are agreed that the working class must pay for the economic crisis facing the city.

Democratic Party politicians, churchmen and union officials have attempted to present the issue in Detroit as one of race, with black Detroiters pitted against white politicians in the state capital of Lansing. This is false and reactionary to the core! The promotion of racial politics is aimed at covering up the fundamental class issues, while maintaining the political authority of city officials who are just as hostile to working people and committed to the defense of corporate interests as the Snyder administration.

The conditions in Detroit demonstrate the failure of the capitalist economic system based on the private ownership of the means of production. Once a great industrial center, the city has been devastated by the collapse of the auto industry and is now the poorest big city in America. It is littered with abandoned buildings and vacant lots, while basic services such as bus transportation and street lighting are in an advanced state of decay.

In the coming months, the SEP will fight for the formation of new organizations of struggle, independent of the unions, to unite the entire working class against the onslaught of the banks. Nothing can be gained without a

struggle.

What is needed above all is a new party and program for the working class. To fight against these conditions the working class must break politically with the Democrats and Republicans, the two parties of Wall Street, and take up the fight for socialism. The SEP is running in these elections to provide an independent political alternative for working people to defend their jobs and living standards.

We reject the claim repeated endlessly by the big business politicians and corporate media that there is no money to fund vitally needed social programs. What a contemptible lie! There is money aplenty when it comes to paying massive bonuses to corporate CEOs, hedge fund managers, investment bankers and other financial parasites. The same week that the city council approved the consent agreement, Ford announced that it paid CEO Alan Mulally \$29.5 million last year.

What is required is a change in the organization of society. We insist that the working class has fundamental and inalienable rights, including the right to a decent and secure job, a living wage, affordable housing, and health care.

These rights are incompatible with the continued existence of the capitalist profit system. Society must be reorganized on a new and more rational basis; production for human need, not private profit. This means the fight for socialism, the democratic ownership and control of the productive forces of society by the working class.

I urge all workers who agree with this program to become active in supporting the presidential campaign of the Socialist Equality Party.

For more information on the SEP campaign and to become involved, visit socialequality.com



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact