

Wayne State University IYSSE holds meeting opposing financial dictatorship in Detroit

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6 April 2013

On April 3, Joseph Kishore, National Secretary of the Socialist Equality Party, spoke at a meeting at Wayne State University in Detroit, called in opposition to the appointment of an emergency manager. The meeting was hosted by the Wayne State chapter of the International Youth and Students for Social Equality and was attended by students, workers and retirees.

Kishore began his remarks by painting a portrait of the new manager, Kevyn Orr. He explained that Orr, appointed by Michigan Governor Rick Snyder, was one of the top corporate lawyers at Jones Day, the largest American law firm. He was a counsel to Chrysler during its 2009 bankruptcy proceedings, pushing for the closure of hundreds of dealerships.

Pointing to the extraordinary degree of corruption involved, Kishore noted that Orr's law firm had represented many of the banks that have issued or own Detroit bonds. Jones Day has also been hired by the city of Detroit to assist it in the process of "restructuring."

Reviewing the extraordinary powers that the emergency manager has, Kishore stressed, "When we call this a financial dictatorship, it is not an exaggeration."

Under the emergency manager law, Public Act 436, Orr is given the power to "act for and in the place and stead of" all local elected government officials and bodies, for a duration of time determined by the governor. The right to vote in the city had been abrogated, he said.

The manager's financial plan, according to PA 436, must include "the payment in full of the scheduled debt service requirements on all bonds, notes, and municipal securities of the local government..."

"In other words, it is now written into law," Kishore said, "that all debts the city has must be paid *in full*."

The one thing that is inviolable are the bonds owned by the banks. Other contracts can be torn apart. Collective bargaining agreements can be shredded. The manager can unilaterally impose cuts in wages and jobs, and sell of city assets. But the bondholders *must be paid*."

Kishore also reviewed the process by which the emergency manager law had been implemented, noting that the law had been defeated in a popular referendum in November, but was simply passed again in nearly identical form one month later.

Kishore stressed that there was no significant opposition from any section of the political establishment. Local Democrats on the city council have criticized the appointment of Orr from the standpoint of insisting that the council was capable itself of imposing the cuts that the emergency manager is planning. The local officials and their trade union allies are absolutely opposed to any movement of the working class in opposition to the devastating cuts being planned and implemented.

He also reviewed the national context, explaining that the assault on the working class and all its basic rights was being spearheaded by the Obama administration. After bailing out the banks with trillions of dollars, the ruling class and its political representatives are intensifying the attack on health care, education and other social programs.

"This is a class policy," said Kishore. "There are social interests that benefit from the destruction of the city."

In this context he opposed those who seek to divide the working class by insisting that the appointment of an emergency manager is an issue of race, of "White Lansing" imposing its agenda on "Black Detroit." This type of politics, promoted by the Democratic Party and organizations that revolve around it, is aimed at

promoting the interests of a privileged and corrupt section of the Detroit political establishment that has run the city for decades.

“The one social force whose voice has not yet been heard is the working class,” Kishore said. “This is coming.” The urgent task, he said, is the building of an independent movement of the working class, based on a socialist program. This required the active and determined effort to turn out and systematically build a political leadership.

After concluding the lecture Kishore took questions from the audience. One student asked what it would take for the American working class to “wake up”. Kishore said that the economic crisis of 2008 had not passed in vain and that the desire to fight exists. However, the trade unions and the proponents of identity politics sought to block any independent movement of the working class to oppose the attacks being carried out against it. The task, explained Kishore, was to provide the working class with a program on which a successful fight could be waged. That requires the building of the SEP and the IYSSE.

Another attendee asked if there would be a “Let them eat cake!” moment in the US. A supporter of the Socialist Equality Party explained that it is not simply a single moment, but the cumulative impact of a series of events that triggers a mass movement against the social system. The same social inequality that existed in pre-revolutionary France—poverty for the masses, aristocrats refusing to pay taxes—exists today in the US and across the world, again stressing the need for a political leadership.

After the formal presentation was over, many stayed to talk to IYSSE and SEP members as well as purchase literature. Many of those present committed to helping build for the meeting on the 15th anniversary of the *World Socialist Web Site* to be held at Wayne State on April 14.



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