

A Call to Action

Oppose the bankers' dictatorship in Detroit!

The Socialist Equality Party
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A pdf version of this statement is available here.

The Socialist Equality Party calls on workers and young people in the Detroit area to mobilize opposition against the newly appointed emergency manager and the plans to carry out a new round of devastating attacks on the working class.

Kevyn Orr has not been installed to “save” Detroit, but to destroy it. For an indefinite period of time, he can enact laws, replace all elected officials, deploy the police, rip up contracts and assume all the powers of government. He will use these dictatorial powers to destroy the wages and benefits of city workers, shut down essential services and sell off public assets like the water system, the zoo and art museum.

Everything can be torn up. All contracts are worthless, except for one thing: Orr is mandated to make sure the city's debts are paid in full and the banks and wealthy bondholders get all their money. This requirement is written into the emergency manager law. It is no accident that his former law firm—Jones Day—represents Bank of America, UBS and JP Morgan Chase, the very same Wall Street firms that have milked the city for \$474 million in debt-servicing payments since 2005.

What is happening to Detroit is a social crime, which will be used as a model throughout the United States. The closing of public schools, cuts to fire and ambulance service and the shutoff of electricity and gas have already produced tragedy. A new round of cuts will eliminate whatever social protections remain and condemn thousands more to an early grave.

But this is of no concern to the big banks or their political front men. From Republican Governor Rick Snyder and Democratic state treasurer Andy Dillon to Mayor Bing and the City Council, they all agree that the working class must pay for the economic crisis we did not create. The City Council and the trade unions, while posturing as opponents of the emergency manager, insist they will do a better job of attacking workers and dismantling the city.

The installation of the unelected EFM makes a mockery of democracy. In November, Michigan voters overturned Public Act 4, which gave emergency managers vast powers. “The wishes of the people be damned!” declared the political representatives of the banks and corporations. The state government promptly passed a new law, almost exactly the same as the one that had just been rejected.

The one section of the population which has had no say in determining the future of Detroit is the vast majority: the working

class—employed and unemployed, black and white, young and old, in the city and throughout the Metropolitan area. It is time for working people to stand up and advance *our own* solution.

A global crisis

What is happening in Detroit is an expression of the crisis of the capitalist system and the decay and parasitism of the American ruling elite. Over the last three decades, the capitalist class has systematically shut down basic industries and shifted investment into the stock market, derivatives and other financial swindling, which produce nothing except massive profits for the super-rich.

In 2008, the speculative bubble on Wall Street came crashing down. The response of first Bush and then Obama was to hand over trillions of dollars to the banks. Not a single banker has gone to jail for their crimes. On the contrary, corporate profits, stock markets and executive pay have fully recovered, and social inequality has grown to its greatest since the Great Depression of the 1930s.

All across the country and around the world, the situation is the same: from the shutdown of public schools in Chicago, Philadelphia and New York, to the slashing of Medicare, Medicaid and Social Security by the Democrats and Republicans in Washington, to the imposition of depression-like conditions in Greece and Cyprus.

In Europe, as in Detroit, the financial elite is resorting to increasingly dictatorial forms of rule to enforce measures overwhelmingly opposed by the population. The savings of workers and middle-class people are threatened with seizure, pensions are robbed, health care and public education systems dismantled and ever more money poured into the bank accounts of the financial aristocracy.

Form committees of action in every factory and neighborhood!

A fight-back is needed. The Socialist Equality Party calls for the formation of workers' action committees in every workplace, neighborhoods and school to give genuine expression to the democratic will of the people. The city and its assets must belong to the working class—the vast majority of the population—not the Wall Street speculators.

Action committees should be formed among city workers, auto workers, firefighters, teachers, health care workers, in areas targeted for school closures, at high schools and college campuses throughout the region. These committees should coordinate the struggle against wage cutting and the gutting of public services

and build the momentum towards a general strike of all workers.

Reject all cuts! Repudiate the debt!

A struggle must be based on a clear political program and perspective. This begins with a rejection of the claim by the representatives of the wealthy that the population of Detroit—the poorest big city in America—has supposedly been “living beyond its means.” The claim that there is no money for basic social services, pensions and good jobs is a contemptible lie. The state’s nine billionaires have a net worth of \$24 billion, close to 75 times the city’s budget deficit. This includes people like Little Caesars’ Mike Ilitch (\$2.7 billion) and Daniel Gilbert (\$1.9 billion), who have bought up land at a song in the hopes of profiting off of an emergency manager. The billionaires are trying to turn Detroit’s city center into a playground for the wealthy, while large sections of the city are allowed to sink even further into poverty and disrepair.

In addition to the bank bailout, Bush and Obama have squandered an estimated \$6 trillion on the Afghan and Iraq wars. Meanwhile, the Federal Reserve is providing Wall Street \$85 billion a month to fuel another speculative boom.

The banks, bondholders and political representatives should not be rewarded for their socially destructive behavior, but prosecuted. All debt owed to the banks must be repudiated. To fully fund pensions, health care, education and other basic rights, we call for a massive redistribution of wealth, including the imposition of a 90 percent tax on all income over \$1 million.

Break with the two big business parties and the trade unions!

The Democratic Party is not a “party of the people,” but one of the two parties of the corporations and rich. The Democrats have run Detroit for decades, impoverishing the working class while enriching a wealthy minority, along with a corrupt section of African American businessmen, preachers and politicians, such as Kwame Kilpatrick.

Far from conducting a serious fight against the emergency manager, the City Council, along with political hucksters like Jesse Jackson, Al Sharpton and Wendell Anthony, are bending over backward to demonstrate their usefulness to the corporate elite.

Detroit’s Democratic politicians and their supporters have promoted the politics of race for decades to divide the working class. It is a matter of “Black Detroit” against “White Lansing,” we are told. This under conditions in which the mayor, the emergency manager and the president of the United States are all African American!

In the Detroit suburbs, workers are facing the same conditions—the shutdown of schools, attacks on pay and benefits, unemployment and poverty and the installation of an EFM in Allen Park. The basic dividing line is not race, but class. To defeat these attacks the working class must unite and develop a political movement independent of the Democrats and Republicans and in opposition to the profit system they defend.

The United Auto Workers, AFSCME, Detroit Federation of Teachers and other unions have collaborated in the attack on the working class. These organizations do not speak for the working class, but are businesses, which protect the interests of privileged upper-class executives and administrators. UAW President Bob King, AFSCME Council 25 President Al Garrett and DFT

President Keith Johnson all pocket around \$200,000 a year in salaries and other undisclosed perks, while imposing wage and benefit cuts on their members.

For the social rights of the working class, not the profits of the banks!

The defense of democratic rights and opposition to the financial dictator must be connected to a struggle to defend the social rights of the entire working class. Every worker has the right to a job at a decent wage, the right to education, health care, housing and a secure retirement. It is these rights that must determine how society is organized and resources are distributed—not the “right” of the investor to speculate and the “right” of the executive to exploit.

The working class in Detroit has rich traditions of class struggle, from the sit-down strikes of the 1930s to the mass struggles for civil rights in the 1960s. Nothing has been gained without the most determined struggle against the dictates of the banks and corporations. These traditions must be revived on the basis of a new, international and socialist perspective.

The Socialist Equality Party has a long history of fighting to build a new leadership in the working class in opposition to the trade union bureaucracies and promoters of racial politics, which have kept the working class tied to the Democratic Party.

What is needed is the building of a new political movement of the working class that has as its aim the fundamental reorganization of economic power and redistribution of wealth. The vast wealth created by the labor of generations of workers must be taken out of the hands of the privileged few and placed at the disposal of the people as a whole. This is the fight for socialism.

Join the fight!

This call to action will be distributed at factories, workplaces and schools throughout the area. Sign up now to become involved and take up the fight!

No to the bankers’ dictatorship! For working class unity in struggle!

Contact the Socialist Equality Party to join this fight.

Attend the WSWS 15th Anniversary Meeting in Detroit:
Mobilize the working class against the bankers dictatorship
April 14 at Wayne State University



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact