Detroit emergency manager proclaims power to end collective bargaining

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Detroit Emergency Manager Kevyn Orr stated in letters to the Michigan Employee Relations Commission (MERC) that it is within his power to end collective bargaining in the city. Specifically, Orr claimed he is under no legal obligation to participate in bargaining or compulsory arbitration with public safety employees, including police, firefighters and emergency medical responders.

Just last week, Orr declared a new contract would be imposed on 900 firefighters effective July 1. Although no specifics were released about the contract, Orr intends to impose deep cuts on both the employees of the city and the population as a whole in order to pay off the wealthy bondholders and banks that hold Detroit's debt and derivative contracts.

While the unions have repeatedly demonstrated their willingness to impose concessions on their members, Orr and the political establishment are well aware of workers' anger and opposition to additional cuts.

The significance of the latest communication to MERC is to preempt any legal appeals by the unions. It is in line with the notice sent by Mayor Dave Bing earlier in the month to the same agency demanding the revocation of the authority of state arbitration panels to hold hearings or issue rulings on appeals made by Detroit police unions and those of emergency medical technicians.

Outlining his contempt for state laws, Orr declared that because Detroit is in receivership, he is not subject to Michigan's Public Employment Relations Act, a 1947 law that legalized collective bargaining between unions and local governments and school districts. He claimed that the city under his management is "authorized to advance this position and seek...any and all relief available by law." This reference to the law is specifically to the emergency manager law, which he claims to supersede any other laws in existence.

This EM law, Public Act (PA) 436, was pushed through by the Republican-controlled state legislature after voters defeated a similar measure in November. The law—which received bipartisan support from state treasurer Andy Dillon—is being used by Wall Street to run roughshod over any state laws or city charters, which in any way present an obstacle to gutting pensions, privatization and selling off of public assets.

The installation of an emergency manager in Detroit is a thoroughly reactionary measure, which is incompatible with any democratic norms. The same dictatorial measures are being imposed by the global banks in Greece, where the IMF, the European Union and the European Central Bank are seeking to abolish the right to public education, which is currently enshrined in the Greek constitution.

The measures to be taken under Orr's authority include the slashing of budgets, reopening of labor agreements to unilaterally impose concessions and shutting down or privatizing city departments and services. They have one purpose: to enhance and enrich the wealthy speculators and bondholders. The financial elite has already made hundreds of millions from the crushing level of debt the city incurred as a result of decades of industrial downsizing, federal and state cuts and the loss of tax revenue following the crash of 2008.

The systematic assault on collective bargaining is part of a deeply antidemocratic program carried out by the ruling oligarchy, but it could never have come close to the measure of success it has had without the profound degeneration of the unions themselves.

A case in point is the passage of the Michigan "Right-to-Work" law last December. In the state which was the battleground three-quarters of a century ago for the right of workers to organize, where the early sit-down

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strikes and plant occupations defeated the violence of the auto bosses, a handful of Republican politicians were able to pass a right-to-work law similar to those enforced in the southern states for decades.

The impotence of the unions—which were unwilling and incapable of organizing any mass opposition to the law—does not escape the realization of ruling circles. In fact, this is part of Orr's calculations when making his reactionary proclamation of his supreme authority. The firefighters' union and others have no answer to this attack, and are simply appealing to Democratic state legislators and US Congressmen to preserve their role as imposers of concessions on their members.

Orr has already gone on record saying he wants a "consensual agreement" with the unions while making it clear that he is prepared to go to the bankruptcy courts if they do not hand over sufficient concessions in wages, benefits and pensions.

The lesson for workers is that no confidence can be placed in the unions to conduct any struggle. The Socialist Equality Party is calling on workers to form rank-and-file action committees, independent of the unions and the Democratic Party, to mobilize workers to throw out the emergency manager and end the financial dictatorship being imposed in Detroit.

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