

A call to action: Oppose the Detroit bankruptcy!

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The bankruptcy of Detroit marks a new stage in the offensive of the corporate-financial elite against the working class. Just days after Detroit's emergency manager filed legal papers to throw the city into bankruptcy, it is clear that the former auto capital of the world is to serve as a test case for ripping up agreements on workers' pensions and health benefits all over the United States.

In city after city, preparations are underway to impose massive cuts using the mechanism of unelected officials such as Detroit's emergency manager and the legal framework of the bankruptcy courts. This is to be done even where, as in Michigan, it requires overriding state constitutions that guarantee the pensions of public employees.

There have been countless news articles on the same theme: Detroit is just the tip of the iceberg. Chicago, Los Angeles, Baltimore and scores of other cities have massive unfunded pension and health care liabilities that must be wiped out. Pampered and selfish workers must accept massive cuts in their living standards.

On Sunday, the web site of the *New York Times* published a commentary by the newspaper's former executive editor Bill Keller. Under the headline "New York Is Not Detroit. But..." the multimillionaire son of the former CEO of Chevron writes that the problem in Detroit, New York and other US cities is "an immense pile of promises made over the decades to the city's employees..."

What foul lies! The crisis in Detroit and throughout the country has been created not by "promises" to city employees, but by an uncontrolled looting operation organized by the ruling class. Trillions of dollars have been placed at the disposal of the banks to bail out the Wall Street speculators. Even as Detroit goes into bankruptcy, the banks that hold the city's debt and are demanding the impoverishment of the city's workers are

reporting staggering profits. The stock market is rocketing to record highs, propelled by more than a trillion dollars a year in free money from the Federal Reserve.

Social inequality is at levels unprecedented in modern history. In New York, 50 cents out of every dollar in salaries is going to the richest 1 percent. Financiers are routinely spending tens of millions of dollars on mansions. The sums available to support the lifestyles of Wall Street parasites are unlimited.

Yet there is no money for basic infrastructure, education, health care or jobs!

The offensive against the social conditions of the working class has been underway for nearly four decades, driven by the decline in the global economic position of American capitalism, the decimation of its industrial infrastructure, and the growth of financial parasitism. This assault has been intensified since the financial crash of 2008, spearheaded first by the Bush and then the Obama administration.

The aim of the ruling class is to eradicate what remains of the social gains won by the working class in the course of the 20th century. Everything from the eight-hour day to child labor laws, pensions, health care, public education, Social Security, Medicare—all of which were obtained as a result of enormous and often bloody struggles—are targeted for destruction. The plan is to restructure American society by turning the clock back to the days before there were any forms of social protection for working people.

This new stage in the social counterrevolution has been possible due to the complicity and active participation of the trade unions. The first response of the unions in Detroit to the bankruptcy filing was to instruct their members to remain on the job and take no action.

The unions support these attacks, working hand in glove with the Obama administration to carry out the wholesale destruction of jobs, wages and social services. Their only

concern is to protect their own salaries and perks by collaborating in the dismantling of their own members' pensions and health care.

In the US as in every other country, the unions are part of the system of class oppression. For three decades they have pursued a policy of compromise and concessions that has produced a catastrophe for the workers. Every cave-in by the unions—the Chrysler bailout of 1979, the destruction of PATCO in 1981, the wave of union-busting in the 1980s, the series of industrial bankruptcies in the '80s and '90s, Obama's wage-cutting restructuring of Chrysler and General Motors—has led to even more brutal attacks.

The bankruptcy of Detroit is part of a global policy. In Greece, Spain and across Europe governments are carrying out similar attacks on the working class. Mass poverty and unemployment, the destruction of jobs and the elimination of social services—these are the conditions dictated by the banks in country after country.

The ruling class anticipates social opposition. That is precisely why, as they have been escalating their social attacks on the working class, they have been creating the framework of a police state.

The Obama administration is carrying out a wholesale attack on the US Constitution. Former National Security Agency contractor Edward Snowden has exposed a secret and illegal system of state surveillance of every American and hundreds of millions of people around the world. The response of the US government is to organize an international manhunt to capture or kill Snowden while charging him, as well as whistle-blower Bradley Manning, with espionage.

The working class of the US and the world is at a turning point. The struggle of Detroit workers is of urgent concern to workers nationally and internationally. The entire planet is blighted by criminal syndicates of bankers and speculators, who have on their payroll the political establishment of every country.

It is impossible to reconcile the most basic needs of working people with capitalism. A system that cannot meet basic social needs must be abolished.

Vital steps can and must be taken by workers in Detroit to oppose the bankruptcy and the destruction of jobs, pensions, health care and basic social services. But these steps must be linked to a national and international struggle for socialism.

The Socialist Equality Party calls on workers in Detroit to adopt the following principles as the basis for a struggle in defense of their social and democratic rights:

First, the categorical rejection of the bankruptcy and all demands for cuts, sacrifices or concessions from working people.

A campaign to mobilize all sections of the working class against the emergency manager, the City Council, the mayor, the governor and the bankers who stand behind them.

The organization of independent committees of workers and youth—independent of the Democratic Party and the unions—at work locations, colleges, schools and in neighborhoods throughout the city. These committees should organize demonstrations and prepare the way for a general strike of the working class in Detroit.

The demands of the movement should include the ousting of the emergency manager and the replacement of the City Council with a Council of Workers.

The city's debts to the bankers must be repudiated and the major bondholders expropriated, so that their ill-gotten wealth can be used to provide jobs at decent pay, rebuild the schools, provide decent housing and medical care, and expand access to recreation, art and culture.

The banks and auto companies must be nationalized and turned into publicly owned entities, under the democratic control of the working population.

Under conditions of growing social anger, the key is for workers to take the offensive and develop a movement completely independent of and opposed to the existing political and economic system. The Socialist Equality Party urges workers to adopt its program and make it the basis of mass struggle.



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