

# Oppose the Detroit bankruptcy!

Statement by D'Artagnan Collier, SEP candidate for Detroit mayor

24 July 2013

As the Socialist Equality Party's candidate for mayor of Detroit, I call on workers and young people throughout the metropolitan area to oppose the emergency manager's decision to throw the city into bankruptcy.

The SEP is holding an end-of-election-campaign meeting on August 4 at Wayne State University to discuss a strategy and organize a struggle by the working class against the destruction of our jobs, pensions and social programs. I urge all workers and youth to attend. The time to fight is now!

It is clear that Detroit is being used as test case for ripping up the social rights and protections won by workers all over the United States. If the Wall Street banks are successful in Detroit, unelected officials and the bankruptcy courts will be employed around the country to destroy the pensions and health care benefits of millions of firefighters, teachers, transit, hospital and other state and municipal employees.

According to the politicians, from President Obama on down to Michigan Governor Snyder and Detroit Mayor Bing, state constitutions, city charters and labor agreements are worthless pieces of paper to be torn up at will. They maintain that the pensions and health benefits that 21,000 public workers have accumulated through a lifetime of labor are not legal obligations owed to them, but "unsecured debts" to be dumped into the courts and slashed to the bone. The only binding agreements the bankruptcy court will uphold are the billions the banks and wealthy bondholders are gouging from the city.

There have been countless articles in the national press making it clear that Detroit is only the beginning. Chicago, Los Angeles, Baltimore and scores of other cities have a combined total of \$1.4 trillion in unfunded pension liabilities. According to the corporate-controlled media, the crisis is due to overgenerous

"promises" to city employees.

This is a lie! The crisis in Detroit demonstrates the failure of the capitalist system. It is the outcome of decades of corporate downsizing, tax cuts for the rich and a war against the working class. There has been a massive transfer of wealth from working people to the multimillionaires and billionaires.

While handing trillions to the Wall Street speculators who were responsible for the 2008 financial crash, the Obama administration has rejected any bailout of Detroit.

Wall Street is doing better than ever with financial institutions like Bank of America, Merrill Lynch, UBS and others, which hold much of Detroit's debt, reporting staggering profits. At the same time, the Obama administration has squandered trillions on criminal wars to defend the very same financial and corporate interests.

And they want us to believe there is no money for pensions, education, health care or jobs!

What is happening in Detroit makes clear that the ruling class wants to destroy whatever remains of the social gains won by the working class in the course of the 20th century. The American ruling elite, drunk with wealth and power, has embarked on a social counterrevolution aimed at turning the clock backwards to the days before workers had any forms of social protection.

This is particularly the case with pensions and health care benefits. Angered that workers are living "too long" after retirement, the ruling elite wants a return to the "good old days" when workers labored until they dropped dead, usually in their 50s or 60s.

What is taking place in Detroit is part of a worldwide process. In Greece, Spain and across the world, capitalist governments are carrying out similar attacks on the working class.

Well aware that these policies are deeply unpopular and anticipating social opposition, the ruling class has been creating the framework for a police state to suppress the working class. That is the meaning of the massive spying operation against the people of the world revealed by NSA whistle-blower Edward Snowden.

The attack on the working class has been made possible because of the complicity of the trade unions. All the officials in the UAW, AFSCME and other unions are only concerned with protecting their own salaries and perks by collaborating in the dismantling of their own members' pensions and health care.

Over the last four decades, the unions have sought to block workers from fighting against layoffs, wage cuts and concessions. Where struggles have broken out, the unions have isolated and betrayed them.

Every defeat inflicted on workers with the collusion of the unions—from the first Chrysler bailout in 1979, to PATCO in 1981, to the wave of union-busting and industrial bankruptcies of the 1980s and 1990s, to Obama's wage-cutting at GM and Chrysler—has led only to even further attacks.

Workers must make Detroit our Gettysburg. Here is where we must draw a battle line to defend the democratic and social rights of the working class. In the Civil War, 150 years ago, no compromise was possible with slave powers. Today, it is impossible for workers to defend their most basic needs without abolishing the modern system of exploitation and oppression—the capitalist profit system.

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:

- \* First, we must categorically reject the bankruptcy and all demands for cuts, sacrifices or concessions from working people.

- \* We must fight 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.

- \* We should organize workplaces, school and neighborhood committees—independent of the Democratic Party and the unions—to unite all workers and youth in the Detroit area. 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, which would genuinely represent the population.

- \* 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 and launch a multi-billion-dollar public works program to 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.

There is enormous anger building up against the financial dictatorship in Detroit. 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. Once again, I call on all workers and youth to attend the August 4 meeting of the Socialist Equality Party to discuss this strategy and organize this struggle.

#### **Meeting Details:**

Sunday, August 4, 2:00 p.m.

Wayne State University

General Lectures 100

Corner of Warren Avenue and Anthony Wayne Dr.  
(3rd St.) Map

For more information on the SEP campaign, visit [detroit.socialequality.com](http://detroit.socialequality.com)



To contact the WSWP and the  
Socialist Equality Party visit:

**[wswp.org/contact](http://wswp.org/contact)**