

Detroit workers outraged by bankruptcy

A WSWWS reporting team
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A federal judge this week moved to fast track Detroit's bankruptcy case by setting a deadline in two weeks for the submission of legal challenges to the city's eligibility to file for Chapter 9 bankruptcy. Judge Steven Rhodes has insisted all objections to the filing be submitted by August 19 and ordered a trial on that matter to begin on October 23.

The judge also assigned a US District judge to rule on legal challenges brought by pension trust funds, which filed lawsuits against the bankruptcy in a state court on the grounds it would lead to the gutting of the pensions of the city's 31,000 current and retired municipal workers—a measure explicitly prohibited under Michigan's state constitution. Rhodes has already stayed a state court ruling blocking the filing and has ruled the federal courts will decide on the matter.

Rhodes has overseen several previous bankruptcies of private firms, which have destroyed the jobs and pensions of auto parts, bakery and other workers in Michigan. His deadline was even quicker than the one sought by the city's emergency manager, Kevyn Orr, who asked for a one-month deadline. Rhodes has also set a March 1 deadline for the city to file a plan of adjustment to reduce payments to creditors and outline its proposals to slash spending and pension payments.

Orr, who has virtual dictatorial powers under Michigan's emergency manager law, imposed a 10 percent wage cut on hundreds of officers from the fire and police departments who had previously escaped a 10 percent wage cut imposed under last year's consent agreement between the city and the state of Michigan.

Workers throughout Detroit are outraged by the undemocratic character of the bankruptcy, and the further devastation being visited on the residents and workers of the city. Many are well aware that Detroit is being used as a test case for cities throughout the country.

Edward Conley, a Michigan state employee, stated, "I

want my pension!" Responding to the bankruptcy judge's actions, he said, "Are you optimistic about the courts? I am not. I have never trusted the courts to do what's in my interest. This bankruptcy is negatively affecting so many people."

After reading a printout of the *World Socialist Web Site* article, "The Detroit bankruptcy and the assault on democratic rights", Carole Davis, another state employee, commented, "What is happening now in Detroit is going to happen in all of the big cities in America. And the same thing happening in Egypt is also going to happen here; it is the rich against the poor."

"They keep broadcasting nonsense, trying to make people care only for which celebrities are sleeping with whom. While everyone is busy watching *Dancing With the Stars*, they are laying the foundations for the police state. And every time you *do* point out that their actions are unconstitutional, they override it by changing the laws. We have to wake up!"

She responded to Rhodes' actions, saying, "How can they override the state constitution and take away a whole city? The Democrats and Republicans are the exact same thing. I never thought this would happen."

Pointing to Orr's plan to dump city worker retirees into the private insurance exchanges under Obama's Affordable Care Act, she pointed to planned attacks on civil servant health care, "They want to put us in Obamacare. We will be locked in. We won't have the doctors we want. In America it is supposed to be about choosing, about democracy. This country is a dictatorship, not a democracy. We can't be blinded because this time the president is of color. It's really the rich versus the poor."

Vernelle Holland, a retired AT&T worker, added, "I don't think that it is fair they are going to cut the city workers' pensions. I feel sorry for them. They say there is no money, but they're paying Orr \$700 an hour and

\$225,000 for a new police commissioner. That is terrible. They need to feed people instead.

“We bailed out the auto industry five years ago. Since then, they have made billions in profits. With all that money, they can bail out Detroit from bankruptcy.”

Gregory King, a retired auto worker, concurred, “I don’t like that they bailed out the auto companies and now they won’t help Detroit. When New York had financial problems years ago the government helped out New York City.

“Right now you have a two-tier wage system in auto. Young workers are making half of the \$30 an hour older workers are making. The whole system is coming down on the workers.”

Citing the statewide vote against the law to bring in an emergency manager, he noted how Michigan’s Governor Snyder passed a new law five weeks later. “We have no rights anymore. It is in the constitution not to cut pensions! I’m praying to high heaven this is stopped. I have firemen friends and they’re taking their pay and pensions away.”

The retired autoworker concluded, “It’s a war on the people. Is there anything we as citizens can do?”

The reporters urged him to attend the August 4 meeting of the Socialist Equality Party at Wayne State University to discuss the socialist strategy and organize the political struggle against the dictatorship of the banks.



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