

Chairman of Workers Inquiry condemns privatization of Detroit public lighting system

Our reporter
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Lawrence Porter, the chairman of the Workers Inquiry into the Attack on the DIA and the Bankruptcy of Detroit, has condemned the privatization of the city's publicly owned lighting system.

Last week, US bankruptcy judge Steven Rhodes gave the city approval to take on hundreds of millions of dollars in new debt in order to finance the takeover of street lighting operations by utility monopoly DTE Energy.

Porter, the assistant national secretary of the Socialist Equality Party, which is organizing the February 15 inquiry at Wayne State University, said the scheme outlined by Emergency Manager Kevyn Orr has nothing to do with improving the wellbeing of city residents. "This is another example of how the bankruptcy process is being used to hand over public resources to politically connected corporations and banks," Porter said.

The privatization of the 120-year-old Detroit Public Lighting Department is an explicit violation of the City Charter, Porter noted. Section 7-905 of the Charter states, "The city may not sell or in any way dispose of any property needed to continue the operation of any city owned public utility furnishing lighting, unless approved by a majority of city voters voting on the question at a regular or special election."

"When it comes to interests of the corporate and financial elite," the chairman of the Workers Inquiry said, "legality and state constitutions don't mean a thing. The wealthy can break any law in order to loot pensions and public assets, and the federal courts, politicians, the media and the unions will give it their stamp of approval."

Porter noted the blatant conflicts of interest involved in the takeover. In 2009, he said, DTE backed the mayoral campaign of David Bing, who served on the

DTE board of directors for 20 years. In secret negotiations with Michigan Governor Rick Snyder earlier this year, Bing agreed to endorse the installation of the emergency manager as long as Orr committed himself to implement the mayor's plan to privatize the lighting system.

DTE will actually eliminate half of the city's streetlights, Porter noted, adding that this was part of the "corporate-backed plan to cut off essential services to neighborhoods deemed too poor or under-populated for investment." The bulk of development projects, he said, would chiefly cater to the needs of the wealthy and the upper middle class, not working and poor people.

Porter, who has also served as the chairman of the Committee Against Utility Shutoffs said that DTE "has a notorious record of shutting off electricity and heat to low-income families unable to pay their exorbitant rates." In 2011 alone, the company carried out utility shutoffs to nearly 200,000 households in southeast Michigan, the majority in Detroit.

"DTE executives," Porter said, "have shown callous indifference to the victims of fatal fires and other tragedies that have resulted from their deliberate policies." Their main concern, he said, "was making as much profit for their wealthy shareholders as possible." Indeed, the Fortune 500 company made \$610 million in profits last year, while paying CEO Gerald Anderson \$9.6 million in compensation.

"The top executives," he said, "should be indicted, and the company put under public ownership," Porter said, "rather than being handed billions in public resources."

The bankruptcy proceeding was a criminal conspiracy against the working class, Porter added. "Pensions are being stolen despite state constitutional protections.

The priceless cultural treasures at the Detroit Institution of Arts, owned by the people of Detroit, face the auction block. The sanitation, transit and water and sewerage department are being privatized.

“The media and the entire political establishment—from Orr and Governor Snyder, to President Obama and mayor elect Mike Duggan—claim that the art of the DIA has to be sold or the museum privatized to save the pensions. They claim that city services, which the politicians have dismantled over decades of budget cuts, will be improved by handing them to for-profit companies. This is a fraud.”

The Socialist Equality Party is organizing the February 15 Workers Inquiry, Porter concluded, “to cut through the lies so the working class can learn the truth and defend our rights.”

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