

# Workers Inquiry examines political conspiracy behind Detroit bankruptcy

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Workers and youth from throughout Detroit, across the US and internationally gathered at Wayne State University (WSU) on Saturday for the Workers Inquiry into the Bankruptcy of Detroit & the Attack on the DIA and Pensions.

The meeting drew more than 100 people, including students from Wayne State University and other campuses, Detroit city workers, teachers, artists and tenants fighting eviction from the Griswold Apartments in downtown Detroit. Delegates attended from Illinois, New York, Virginia, California and other states, as well as from Germany and Australia.

The Inquiry, sponsored by the Socialist Equality Party and the International Youth and Students for Social Equality (IYSSE), was the product of a months-long campaign to organize working class opposition to the bankruptcy. Reports provided a detailed exposure of the political conspiracy involving both major political parties, the courts and the mass media.

Opening the meeting, Workers Inquiry Chairman Lawrence Porter explained, "This is an historic gathering, a true working class investigation into one of the crimes of this century: the premeditated plan to install an emergency manager with immense powers and take the city into bankruptcy in order to destroy rights won in over 80 years of struggle."

The inquiry included in-depth testimony on the historical, economic and legal background to the Detroit bankruptcy filing. A report also addressed the significance of moves to privatize the artwork of the DIA.

Jerry White, a WSWS writer and the SEP's 2012 presidential candidate, opened the testimony with a report on "The Social and Historical Context of the Detroit Bankruptcy." He explained that what was happening in Detroit had to be understood as part of an international social counterrevolution to destroy all the rights of the working class.

"The bankruptcy of Detroit is a major turning point in class relations," White explained. "It sets a precedent for an escalation of the war against the working class in the US and internationally, the same way Reagan's firing of 13,000 striking air traffic controllers did in 1981."

White explained the role of the Obama administration in supporting the Detroit bankruptcy as part of the aim to set a precedent for other cities. "Obama is using the crisis in Detroit as a test case for a nationwide attack on public employee pensions," White said.

The assault on the working class has led to an extraordinary growth of social inequality over the past five years. White explained the mechanism behind this process, noting that 85 individuals now control more wealth than half of the world's population.

Detroit was a particular target, White said, because of its history of class struggle. "The ruling class is proceeding with such vengeance now," he said, "precisely because it has never reconciled itself to the achievements won by Detroit workers in the mass industrial and social struggles, from the 1930s to the 1970s, that so profoundly affected all of American society."

Lawrence Porter spoke on "The Political Conspiracy Behind the Detroit Bankruptcy: Anatomy of a Crime." He presented a timeline of key events leading up to the bankruptcy filing, including secret meetings between Detroit Mayor David Bing and Michigan Governor Snyder, the recruitment of the Jones Day law firm to orchestrate the bankruptcy filing, and the hiring of Detroit Emergency Manager Kevyn Orr.

Porter detailed the role of the Detroit city unions which, while claiming to oppose the attack on workers, "accepted the basic premise shared by Orr, bankruptcy judge Steven Rhodes, Snyder and Obama: that the working class has to pay for the economic crisis, and that the financial situation in Detroit justifies major cuts to pensions and other benefits."

He concluded: “The one voice that was not being represented was the voice of the working class, the vast majority of Detroit’s population.”

Tom Carter, WSWS legal correspondent, delivered a report, “The Detroit Bankruptcy: A Travesty of Democracy,” providing a detailed legal history of the events leading up to the Detroit bankruptcy filing.

He explained that in order to carry out their conspiracy and implement the dictates of the corporations and the wealthy in the face of widespread opposition, it was necessary to violate legality and constitutionality. This was “part of a broader shift toward authoritarian forms of rule, in the United States and internationally.”

Carter demonstrated how the Detroit bankruptcy was a criminal operation at every step along the way, and concluded that “the conspirators responsible—from Governor Snyder, to Jones Day law, to Judge Rhodes and Kevyn Orr—should be impeached, indicted, arrested and prosecuted.”

WSWS Arts Editor David Walsh spoke on the topic of “Art and the Working Class: The Significance of the Attack on the Detroit Institute of Arts.” He explained that the attack on culture and the DIA was a critical component of the political and ideological offensive against the working class.

Walsh explained how the DIA is now being forced by Governor Snyder, the courts and Emergency Manager Orr to accept the so-called “grand bargain,” under which the museum will have to come up with a \$100 million contribution over 20 years.

Walsh gave an overview of the DIA’s history and explained how in the first half of the 20th century many of the great works in the museum were bought with public funds. He recounted the role of William Valentiner, who became director of the DIA in 1924, in building up the collection of the DIA, including the great murals of Mexican artist and socialist Diego Rivera.

In relation to the argument that the artwork of the DIA should be sacrificed to defend city workers’ pensions, Walsh said, “What prevents the population from having both a major museum and decent pensions and benefits? These demagogues never attack the billionaires who are robbing everyone, they always attempt to pit one section of the population against another, the retiree against the museumgoer, for example.”

Barry Grey is the WSWS US national editor. Grey’s report, “The Rape of Detroit, Deindustrialization, Financialization and Parasitism,” explained the economic processes that led to the decline and bankruptcy of

Detroit. He reviewed in detail the impoverishment of former industrial cities such as Detroit at the hands of the corporations and banks.

Turning his focus to Detroit, Grey placed the city in the context of the decline of American capitalism. “In 1960, there were 35 major auto plants in and around Detroit, including the Ford Rouge complex, GM’s Cadillac plant and Dodge Main, employing over 110,000 workers. Today, there are 14, employing less than 22,000 workers.”

Grey explained the criminal role of the banks and corporations in the decline of major American cities. He noted, “Corporations took advantage of the crisis of the cities to blackmail them into giving ever more massive tax breaks and incentives as the price for keeping existing plants open or choosing to locate new facilities within their borders.”

Closing the Inquiry, Socialist Equality Party National Secretary Joseph Kishore pointed to the objective significance of the Workers Inquiry. “There is really nothing else like it,” he said. “A meeting of workers from throughout the Detroit area, nationally, which has been called to review in concrete and comprehensive fashion the social, political and economic background to the bankruptcy of Detroit.”

“It is the response of the working class to the political conspiracy, the lies of the media, to the illegal and unconstitutional actions of state officials. It is a meeting which is based on the revolutionary idea that in order to fight back, workers need the truth, need knowledge, need political and historical perspective.”

Kishore said that the Workers Inquiry would be followed up with meetings and other initiatives in the coming period, and called on all those present to become involved with the Detroit Workers Committee and to make the decision to join the SEP and the IYSSE.

*In the coming days, the WSWS will be publishing the reports of the Workers Inquiry panelists, as well as the remarks of international delegates and discussion from the inquiry proceedings.*



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