

# Following Workers Inquiry, SEP meeting discusses Detroit restructuring plan

Shannon Jones  
28 February 2014

Students, workers and retirees attended a meeting Wednesday at Wayne State University called by the Socialist Equality Party and the International Youth and Students for Social Equality to discuss the recently released plan of adjustment by Detroit Emergency Manager Kevyn Orr.

The meeting involved more than twenty Wayne State students, Detroit city workers and retirees, young workers, professionals and tenants facing a March 31 eviction from their homes at the Griswold Apartments in downtown Detroit. Many had attended the February 15 Workers Inquiry into the Bankruptcy of Detroit and the Attack on the DIA and Pensions held by the SEP at Wayne State.

Lawrence Porter gave the opening report. Porter, the assistant national secretary of the SEP, was the chairman of the Workers Inquiry. In his remarks Porter put the crisis in Detroit in the broader context of world developments.

He began by discussing the situation in Ukraine, where fascist forces toppled the government on Saturday. “The situation in Ukraine gives you an understanding of the change in the political situation developing internationally”, said Porter. “The impression is being given that what is taking place is a protest for democracy. It is just the opposite. What is taking place is a struggle by forces led by Germany and the United States to take control of Ukraine and weaken Russia.”

Porter gave some background on the history of Ukraine, which had twice been occupied by German forces and which has rich natural resources coveted by the major capitalist powers. He pointed to the danger posed to the working class by the mobilization of extreme right-wing forces on a world scale, citing in addition to Ukraine the rise of the fascist Golden Dawn

in Greece and the National Front in France.

“You are seeing the breakdown of the old democratic institutions,” explained Porter. “The danger is that without the development of a revolutionary leadership in the working class you can have the growth of extreme right-wing nationalist forces.”

Turning to Detroit, Porter said that the crisis of revolutionary leadership and perspective was posed very sharply in the current situation. “Kevyn Orr’s plan of adjustment is a plan of attack. They are using Detroit to set a precedent where you can have constitutionally protected rights destroyed by a judge and an unelected financial manager.”

Porter then reviewed some of the details of the plan of adjustment. For most city workers pensions will be reduced up to a staggering 34 percent. He noted that Orr was attempting to impose a so-called grand bargain whereby pension cuts would be marginally reduced in exchange for creditors, including the unions, dropping all challenges to the bankruptcy settlement.

As far as retiree health care, workers over 65 are being forced onto Medicare and those under 65 will be pushed onto Obamacare, where they will be hit with massive out-of-pocket expenses, Porter explained.

Under the plan of adjustment Orr was proposing a fire sale of city assets. “They are going to sell off all the parking lots and the parking meters. They are going to privatize the Detroit-Windsor tunnel, the Coleman Young Airport, Joe Louis Arena, Belle Isle Park. The Detroit Institute of Arts is being given over to a nonprofit called Detroit Corp. While it is nominally under public control it is in fact being privatized,” said Porter.

Porter also explained how the unions were being brought on board to support the plan with the proposal to establish a Voluntary Employees’ Beneficiary

Association (VEBA) trust fund to manage retiree health care payments. This fund, to be controlled by the city worker unions, amounts to a massive bribe to win the support of the unions for the cuts to pensions.

Porter also noted the role of pseudo-left groups like the Workers World Party in the Detroit bankruptcy. These organizations are being mobilized and promoted by a section of the political establishment to give a “left” cover to the role of the unions, which are collaborating in imposing massive cuts onto workers and retirees, as well as the Democratic Party.

After the main report a wide-ranging discussion ensued about the program of the Socialist Equality Party and more broadly the history of the socialist movement. One worker asked about the strategy of the SEP to fight the cuts to pensions. Porter explained that opposition to the cuts could only be developed on the basis of clear political perspective, which understands that what is happening here is part of a global social counterrevolution against the working class.

“The ruling elite is using the city to set a precedent. They look at Detroit as low hanging fruit. We call for the formation of committees of workers, independent of the unions and the big business politicians, to fight to mobilize the working class in the metro Detroit area against the bankruptcy.” If this fight was not going to be derailed by the unions, the Democratic Party and their allies, Porter said, “the working class needed an independent revolutionary leadership based on a socialist and internationalist perspective.”

Another question dealt with the role of the unions. “They are holding this struggle back,” said Porter. “Why haven’t they called a general strike? Why haven’t they called for the mobilization of the working class in opposition to Obama? It’s because they are not interested in a fight. They are interested in how they can benefit themselves. The top echelons of the union are being taken care of. They are going to get the half-billion dollar VEBA.”

A Griswold tenant said that some Democratic Party politicians had attacked the SEP, comparing it to the Nazi Party. She wanted to know how to answer that slander.

Porter explained that the Obama administration was in fact in an alliance with fascist forces in Ukraine. Hoping to exploit the lack of historical knowledge, the big business politicians attack the SEP because they

fear that the working class will break free from their domination and fight for socialism, which would benefit the majority, not the wealthy few.

The SEP is part of the world Trotskyist movement, the first to expose the dangers of fascism in Italy and Germany and fight to mobilize the working class against it. “We have to reeducate ourselves in the rich history of the past in order to understand what to do today. Every person here today can become a leader in the working class to understand how this fight can be carried forward.”

Another worker asked what country today came closest to socialism. An SEP member explained that no socialist country existed. The 1917 Russian Revolution brought the working class to power and created the Soviet Union, the first workers state. That revolution had been betrayed by Stalinism, which murdered the leaders of the October Revolution and carried out the liquidation of the USSR in 1991. The SEP, basing itself on those traditions of the Russian Revolution, fights to unite the working class internationally for the socialist transformation of society.

An older tenant noted that while the Soviet Union existed and was denounced, “workers there had many things we never had here.”

After the discussion those attending the meeting agreed to take copies of the Detroit Workers newsletter, containing a report on the Workers Inquiry, to distribute in their schools, neighborhoods and workplaces. Many stayed to continue the discussion on the issues raised in the reports.

A retired city worker told a reporter for the *World Socialist Web Site*, “I found it informative. I thought it would be more narrowly focused, but I see now that this is a long-term fight.

“Larry brought me up to speed on the role being played by the unions. Why have they not called for a strike or any action? It is because it is they have vested interests. They are making backroom deals and they are planning to get a payout.”



To contact the WSWWS and the  
Socialist Equality Party visit:

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