Detroit officials announce 15-day "pause" of mass water shutoffs

Jerry White 22 July 2014

In the face of popular outrage over mass water shutoffs in Detroit, and damaging exposures of the brutality of American society in the international media, Detroit officials on Monday morning announced a 15-day "pause" of water shutoffs that have targeted tens of thousands of city residents unable to pay their bills.

The temporary suspension of shutoffs, announced by Detroit Water and Sewerage Department Deputy Director Darryl Latimer, is a public relations move. Water department officials were quick to declare they would continue their aggressive "collection campaign"—which has led to the shutoff of 3,000 household per week—after the two-week hiatus.

"This is a pause. This is not a moratorium," DWSD spokesman Bill Johnson told the *Detroit News*. "We are pausing to give an opportunity to customers who have trouble paying their bills to come in and make arrangements with us. We want to make sure we haven't missed any truly needy people."

In other words, the "pause" is aimed at perpetrating and legitimizing the fraud that the shutoff of water does not target the "truly needy." In fact, in order to qualify, residents will have to provide documents proving the need for assistance, officials said, and they would have to enroll in some kind of payment plan. To have service restored, residents typically must pay 30 percent of their outstanding bill (often hundreds or even thousands of dollars) and keep present bills current in order to qualify for a 36-month plan to pay off their balance—or face another shutoff.

City officials are well aware that such terms are impossible for the vast majority of residents. Nearly 40 percent of the population lives below the poverty line, and constant rate increases have made Detroit water bills among the highest in the nation.

Rather than assisting residents, the "pause" is aimed at allowing the city to regroup and escalate the offensive in the face of widespread anger and condemnation, including from the UN.

During the pause, Latimer said, the city would work with "clergy, grassroots organizations and other interested parties," to handle the so-called "neediest cases." Meanwhile, a new narrative is being prepared to accelerate shutoffs in the name of going after "scofflaws, squatters and people gaming the system."

Latimer made it clear the city would step up its campaign against "illegal" usage. "We will identify where residents are legally staying and hold off on shutoffs while shutoffs will continue at abandoned homes."

The water department, he said, would work with socalled blight removal officials to search abandoned buildings where water should be shut off, an ominous warning that the city is preparing a new crackdown on tens of thousands of poor people in the city.

The pause is also aimed at facilitating the bankruptcy restructuring plan as a whole. Last week, Steven Rhodes, the federal judge overseeing the bankruptcy case, ordered the city water department to submit a revised plan for its shutoffs, warning that the "bad publicity" had sparked widespread outrage that could undermine the broader attack being carried out.

Rhodes praised the water department officials, saying they "had put a lot of thought into the presentation and plan" and addressed "the concerns I raised last week."

The shutoffs are part of a basic strategy being implemented by the ruling class in Detroit, backed by Wall Street and the Obama administration. A primary aim of the restructuring is to drive large numbers of low-income workers, elderly and sick people out of neighborhoods deemed too poor for investment, a sort of "urban cleansing."

Along with shutoffs, these targeted areas have already seen mass school closings and the virtual collapse of other essential services, from street lighting and electrical infrastructure, to fire protection and emergency medical services.

At the same time, the campaign to eliminate the water department's "bad debt" is aimed at making it more attractive to private equity firms and other financial investors looking to privatize the nation's third-largest municipally-owned water system. Freed to raise rates even higher and to wipe public workers' jobs and pensions, the new owners, who will control a water system located next to the one of the largest concentrations of fresh water on the planet, stand to make a fortune.

Already, the water department is a gigantic moneymaking operation for bondholders and other financial swindlers. The real cause of rate increases, as the water department has acknowledged, is not non-payment of bills, but the elimination of federal and state funding for the repair of the city's antiquated system. This funding has been replaced by debt financing, which now claims 56 percent of the water department's revenue. In other words, the population of the city is being squeezed and denied the most basic necessity of life in order to channel billions more into the hands of the financial elite.

The pause in shutoffs is also consciously aimed at bringing the trade unions and various auxiliary organizations on board, as Judge Rhodes has done in the crafting of the "grand bargain." The restructuring proposal that is being rammed down the throats of Detroit workers includes payoffs for the unions with a half-billion dollar slush fund in exchange for their support.

Rhodes has also utilized various pseudo-left groups, which are tied to the unions and the Democratic Party, to uphold the authority and credibility to his court rulings.

In this regard, the Workers World Party has emerged as an extension and arm of the unions and Democratic Party, functioning as an early warning system and political advisor to the judge. Following Latimer's presentation Monday, Jerry Goldberg, a leading WWP member and an attorney who has filed various lawsuits in the court upholding the interests of the union apparatus, addressed Rhodes, lavishing praise on the judge.

"I want to give credit to the court," Goldberg genuflected. "Based on a grassroots campaign we put at least a temporary stop to this. The court deserves credit. We are meeting with representative (of DWSD) now. I want to thank the court for intervening," he concluded.

The Workers World Party—the principal force behind Moratorium Now—and other groups aligned with the Democratic Party have from the beginning crafted their proposals to be palatable to the ruling class. They have urged the city to make greater allowances for income in devising payment plans. All of these forces agree that the working class must pay for the financial crisis they did not create.

The fight against water shutoffs—and the attack on pensions, health care and city services—requires rejecting this premise and insisting that social rights, including the right to water, must take precedence over private profit.

The Socialist Equality Party insists that shutoffs must stop permanently and service restored immediately to all previous victims, with full restitution for damage done. Profit must be taken out of water and this vital resource guaranteed to all, free of charge.

This is only possible if the water system is taken out of the hands of the banks and big bondholders—and their political front men in the Board of Commissioners—and put under the genuine public ownership of the working class.

The city's debt must be repudiated and the ill-gotten gains of the Wall Street banks, which reaped billions from financial swindles in which they entangled the city, must be confiscated and used to fund a mass public works program. Billions should be used to hire the unemployed and rebuild the city, including the water and sewerage system, in the interest of working people, not the rich.

These basic steps to address the social crisis in Detroit can be advanced only through an independent struggle by the working class against the Democrats and Republicans, their political associates, and the capitalist system they defend.

The SEP has taken up this fight through the formation of the Detroit Workers Committee. The SEP and DWC are holding a rally on Thursday at 3 p.m. at the Detroit Water Central Services Facility (CSF) on the city's east side. We urge workers and youth to join the rally and take up the fight today.

Rally Against Water Shutoffs

Thursday, July 24, 3:00 pm Detroit Water Central Services Facility 6425 Huber St., Detroit



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