

No to privatization, job cuts and concessions!

## For a political struggle by Detroit workers against Orr's bankruptcy plan

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The Detroit Water and Sewerage Department is demanding a new labor agreement through 2018 that would strip DWSD workers of whatever job protection they still have and open the door for more outsourcing, mass layoffs and the privatization of the water department. Workers who remain on the job will have no rights and will work at the discretion of management.

Behind DWSD Director Sue McCormick stands Emergency Manager Kevyn Orr, the big business politicians in the Democratic and Republican Parties, the bankruptcy court and the powerful financial institutions they serve. While unlimited sums are being handed to the banks and billionaires like Mike Ilitch and Dan Gilbert, Orr & company are looting the pensions and health care benefits of city workers and organizing a fire sale of public assets, from the artwork of the DIA to city services like trash collection, street lighting and the water system.

The shutting off of water to tens of thousands of residents demonstrates the real character of the bankruptcy process and the brutality of the capitalist profit system. The constant rise in water rates is not caused by "people gaming the system." It is the result of the enormous sums of money paid to the big bondholders, who have long considered the water department to be their personal ATM.

The shutoffs and the attacks on water workers are aimed at preparing DWSD for a private takeover by Wall Street. The new contract is designed to maintain an impoverished, atomized yet highly skilled workforce at DWSD long enough for a private management company to find "highly flexible" replacements who will have no health care, pensions or other basic

benefits.

The privatization of the water department is part of the plans to shrink the city developed by DTE Energy, the banks and other corporate interests. Under private management, the water department will sharply increase rates and essentially discontinue service to entire neighborhoods throughout the Detroit metro area that are considered too poor--and therefore unprofitable--to be provided water or other essential services.

There is deep opposition to this criminal operation. A fight is possible and absolutely necessary, but such a struggle must be based on a clear understanding of the situation facing city workers in order to determine who are the enemies and who are the allies of the working class.

Workers can place no confidence in AFSCME and the other city unions. Far from leading any struggle against Orr and the bankruptcy court, the unions are allied with the big business politicians in the Democratic Party, who, no less than Snyder and the Republicans, insist that workers pay for a financial crisis they did not create. Al Garrett, Ed McNeil and the other union executives have backed the Grand Bargain conspiracy in exchange for control of a half-billion-dollar VEBA slush fund.

The leadership of AFSCME Local 207 has urged workers to vote "no" on the contract. This blackmail contract should be rejected. However, the claim by the bargaining committee and acting president Mike Mulholland that a "no" vote will persuade Orr to back down and provide a better offer is a fraud.

Orr has the backing of the entire corporate and financial elite and the politicians who serve them. From

President Obama, Governor Snyder and Mayor Duggan on down, the big business politicians are using the attack on city workers in Detroit to set a national precedent to destroy pension rights for public-sector workers, which have long been protected by state constitutions.

Orr and US bankruptcy Judge Steven Rhodes know the unions will do nothing to defend DSWD workers even if they reject the contract and threaten to walk out.

Two years ago, it was Al Garrett who showed up at the wastewater treatment plant with a court order instructing striking DWSD workers to return to work. A genuine struggle at that time against Mayor Bing required the organization of a rebellion by workers against the AFSCME bureaucracy, which had already agreed to millions of dollars in concessions. The opportunity existed to mobilize firefighters, transit workers, teachers and the entire working class against the attack on the working class.

Then-Local 207 President John Riehl, Mulholland and the protesters from BAMN opposed such a struggle. Instead, they organized an isolated action aimed at appealing to the AFSCME bureaucracy and a section of the political establishment in Detroit on the basis of racial politics. This adventure led to the victimization of 34 workers, while Riehl landed a lucrative career as a trustee of the multi-billion-dollar pension fund.

Mulholland now has the nerve to suggest that rank-and-file workers are afraid of a fight. In reality, workers understand that Local 207 is incapable of defending their interests. They sense that a new perspective, strategy and leadership are needed to fight the corporate-government attack on the working class.

The Socialist Equality Party urges DWSD workers to establish a rank-and-file committee, independent of AFSCME and the other unions, to develop a political counter-offensive against the Democratic and Republican Parties, the emergency manager and the federal bankruptcy court. A central task of this committee will be to make an appeal to the entire working class of metro Detroit for a united struggle against the attack on jobs, wages and social services.

The establishment of Third World conditions in Detroit—where young mothers, children, the elderly and sick, and low-income families are living without water, the most elemental necessity of life—is an indictment of

the capitalist system, which enriches the few at the expense of the many.

The provision of clean water cannot be subordinated to the profit drive of wealthy bondholders and other financial sharks.

The shutoffs must be stopped immediately. Water must be restored at once to all households where it has been cut off. Families that have suffered water shutoffs must be fully compensated financially. Those responsible for the policy of water shutoffs should be held politically and legally accountable.

The city's debts must be repudiated and the ill-gotten gains of the Wall Street banks seized. The plans to wipe out 81 percent of DWSD jobs must be rejected. Instead, billions of dollars should be deployed to hire more workers to rebuild the city's antiquated infrastructure and guarantee water and other essential services, free of charge, to all.

It is a lie to claim that there are not sufficient resources to eradicate poverty, rebuild the city and provide good-paying and secure jobs for all. The Wall Street banks and auto corporations are making record profits. Trillions have been found to bail out the banks and fund corporate tax cuts and wars.

How these resources are to be used is above all determined by which class holds political power. If the wealth created by workers is to be used for the good of society, rather than the greater enrichment of the elites, the working class must take political power into its own hands. Only in this way can a radical redistribution of wealth be carried and society's priorities reorganized to meet the needs of the vast majority of the population, not the wealthy few.

The working class in Detroit has a rich history of industrial struggle and socialist politics. These traditions must be revived to rally workers in the US and around the world against austerity and war. The SEP calls on DWSD workers to contact our party and take up the fight for a new leadership today.



To contact the WSWP and the  
Socialist Equality Party visit:

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