

Mass water shutoffs continue in Detroit

Shannon Jones
4 November 2014

With winter approaching, thousands of Detroit households remain without water service due to the brutal mass water shutoff policy by the Democratic Party-controlled city administration.

According to the October report submitted by Detroit Water and Sewerage Department (DWSD) Director Sue McCormick, there have been 29,625 accounts shut off since January of this year, 5,100 in September alone. Of that total only 16,234 have been restored--after the city squeezed payments out of low-income residents--leaving some 13,000 households without water.

Assuming three to four persons per household that means that some 40,000-50,000 people are living in the city without access to water to drink, cook, bathe, wash clothes or flush their toilets.

In the face of this surging need the amount of help offered to those behind on their water bills is a bare pittance. To date, the Detroit Water Fund has approved 573 applicants for assistance, totaling a mere \$188,342.16. Another 740 customers have been enrolled in the Detroit Residential Water Assistance Program. Taken together this adds up to less than five percent of the households affected by shutoffs so far.

In addition to those whose service has been shut off, another 34,156 have signed up for payment plans to clear their past water bills. These households have a total balance of more than \$25 million, an average of more than \$700 per customer. If these residents fall behind on their payment terms they can be immediately shut off.

In September US Bankruptcy Judge Steven Rhodes declared that Detroit residents had no “fundamental right” to water, squashing a lawsuit brought in an attempt to halt the water shutoff policy. In making his ruling the judge made it clear he was acting in the interest of the banks and holders of Detroit municipal bonds, who get 50 cents out of every water revenue

dollar collected by the city. “Detroit cannot afford any revenue slippage, and its obligations to its creditors require it to take all reasonable and business-like measures to collect the debt that is owed to it,” Rhodes insisted.

According to testimony at the Detroit bankruptcy hearing, the water shutoff policy was demanded by Wall Street credit rating agencies, which insisted the water department clear up its “bad debt” in order to qualify for more favorable terms for its municipal bonds. Shortly afterwards, federal mediators worked out a deal to put the water department under a regional authority, with a new multi-billion dollar financing plan, in what will likely be the first step towards the privatization of one of the nation’s largest municipally owned water departments.

Rhodes is set to rule later this week on the city of Detroit’s restructuring plan, which virtually eliminates retiree health care benefits, slashes pensions for 23,500 retirees and hands over city assets to Wall Street investors and billionaire real estate developers. At the same time the plan imposes strict limits on the amount to be spent on the city’s already vastly inadequate services.

The policy of water shutoffs has the support of the entire political establishment, from the Obama administration, which endorsed the bankruptcy of Detroit, to Republican Governor Rick Snyder, to the administration of Democratic Detroit Mayor Mike Duggan. It has also been tacitly endorsed by the unions, which received a payoff in the form of control over a \$500 million investment fund, a so called VEBA, in exchange for their support for the bankruptcy restructuring plan.

A *World Socialist Web Site* reporting team spoke to workers and retirees at a water bill payment center on the west side of Detroit. In contrast to the pronouncement of Judge Rhodes, workers insisted on

their right to this basic necessity of modern life.

Christine Heines, a retired GM worker was at the office to pay her water bill. She told the WSWS, “I think the shutoffs are load of crap. We need our water.”

When the WSWS noted that some 13,000 homes are currently shutoff, leaving thousands of Detroit residents without water, Heines responded, “I think everybody should have the right to water.”

“They keep raising the prices on us. It used to cost \$30 every three months, and now its \$75 per month at least,” Heines said. “The city is doing nothing to help people who can’t afford their bills,” the former auto worker added.

“It is inhuman,” agreed Velma Tucker, a truck driver. “I say give them water. It should be free.”

Tucker was outraged at the city’s plans to slash the pensions and health benefits of Detroit city workers. “If a person works 30 or 40 years of their life at a job they are entitled to a pension.”

A retired teacher said, “Water should be free. I have a problem with the sewerage rates and the extra charges they are constantly adding to the bills. Our bills used to be quarterly and now they are monthly and we keep paying more and more. When you are on a fixed income you can’t afford to keep paying increases.”

“There is water running constantly in abandoned homes, and they don’t even bother to shut it off, said Damita Hill, a social worker.

“Yet they are shutting off poor people left and right, families with kids who need the water. The poorest and most vulnerable among us are left to suffer. At the same time, they don’t even make the big companies pay their back bills. In fact, they are handing over lots of money to the richest companies.

“How are we supposed to pay when there are no jobs with livable wages available in the city of Detroit?” Hill asked.

“People are forced to chose between paying the water bill and putting some food on the table. Are you going to let your kids starve just to pay utilities? And they wonder why we have a drug problem in the city. People are coming out of jail and they never have a chance to find another job.

“They’ve shut down all the programs that help the poor. You see homeless people everywhere you go, right next to tons of abandoned homes. Since the

shelters are packed and the mental health facilities are shutting down as well, these people are left with nowhere to go.

“I know the rich are doing great. I’ve seen the well-off neighborhoods around. Things are better than fine for some. We need a whole lot of new jobs and programs to help the lower classes. With something like that, we could get rid of all this starvation and misery.”



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact