

# Detroit Mayor Duggan's State of the City 2021: Open for business

**Kathleen Martin****12 March 2021**

Democratic Detroit Mayor Mike Duggan gave a virtual State of the City address on Tuesday, March 9. As the site for the speech, the seven-year mayor and former medical center CEO chose the new \$1.6 billion Stellantis Mack Assembly Plant on the city's east side to highlight the success of his administration's pro-corporate policies.

Duggan began by praising Stellantis (formerly Fiat Chrysler) management and the UAW for collaborating to get the Mack Avenue facility open. "It is a marvel; they built a 2.5 million square-foot plant in 18 months during a COVID pandemic," he declared. "When this plant is going, 250,000 vehicles a year are going roll off that line. Not built in Tennessee. Not built in South Carolina. Not built in Huntsville, Alabama. Built right here on the east side of Detroit and for that we are enormously grateful."

Duggan pitched the jobs, which start at \$17 an hour, as high-paying "middle class" jobs to a city whose working class in 1960 enjoyed the highest per capita income in the United States. Wages have been driven so low with the collusion of the UAW, that the auto industry is complaining that Amazon's \$15 an hour wages are luring away necessary labor.

After handing over \$400 million in public property and tax incentives to FCA/Stellantis in the last few years to "keep jobs in Detroit," the company has agreed to give Detroit resident applicants priority over non-Detroit residents. Through the implementation of the Detroit At Work taskforce, over 10,000 residents applied for jobs, or as Duggan put it in his address, "Detroiters moving to the middle class."

Peddling Chrysler as "family," Duggan noted that the Jefferson North Assembly Plant is hiring another 1,000 workers for 4,000 total new hires—many who have been transferred from other plants in the area.

He also lauded General Motors for making the decision to build the world's most technologically advanced auto facility at the shuttered Poletown plant. GM reversed the decision to close the facility, now known as "plant zero," in 2019 after the UAW handed over concessions by betraying the strike by 40,000 GM workers.

Duggan praised Stellantis and auto parts companies Dakkota—now operating on what used to be Kettering High School—Flex-N-Gate and Spencer Butcher for their preferential

hiring of Detroit residents. He also mentioned Universal Logistics, which is owned by the notorious Maroun family, whose patriarch died over the summer and received an especially warm shout-out from the mayor and the New Center Stamping (NCS) plant.

Amazon, which is building a facility on the former Michigan state fairgrounds, received praise for not asking for tax incentives. "This is how far we've come," Duggan said.

All of Duggan's comments on the devastating economic conditions in the city—the product of deliberate policies over decades of deindustrialization, factory closures and the destruction of tens of thousands of jobs that impacted the entire working class—were presented through the lens of racial "equity."

He said, "What equity means is eliminating the barriers" which prevent workers from being able to fill jobs. Duggan then outlined the deals that the city's leadership is making with various companies to keep low-paying jobs within the city limits.

By using the word "equity"—a euphemism of the African American upper middle class and bourgeoisie used to conceal the socio-economic class differences within urban populations across the country—Duggan was making a parochial appeal and pitting the city's majority working class black population against their brothers and sisters in the suburbs.

At the same time, in order to entice emerging industries, including healthcare and technology alongside of auto manufacturing, certain changes have to be made in the conditions of the city's population. To this end, a limited set of measures are being implemented in Detroit to make the impoverished working class more attractive to corporate investment and opening facilities in the city.

Some of these changes include the Michigan Driver's Responsibility Act, to restore drivers' rights to the 76,000 residents who were without licenses due to poverty and to address the 25 percent of all residents who do not own a car in the "Motor City." Duggan thanked President Joe Biden for assisting with the money needed to update the shoddy bus system.

Another measure is the Detroit Promise, which would guarantee free tuition to community colleges and universities

for students living in the city. Duggan said that these programs are being offered in order to prepare the Detroit workforce for the industries of the future that the city administration is attempting to attract post-bankruptcy. In other words, the children living in poverty in Detroit with little to no access to quality public schools are viewed not as a generation with a right to an education but part of the workforce of the future to be exploited by global capitalist enterprises.

Duggan praised his supporters in the Detroit and Michigan Democratic Party, including congresswoman and DSA member Rashida Tlaib, Governor Gretchen Whitmer, former health department director and candidate for governor Abdul El Sayed, and members of the city council. He also made sure to appropriately suck up to the real bosses of the city, including the Ilitch family and Dan Gilbert, both of whom have been given premium real estate development opportunities through slimy land grabs in divvying up abandoned property downtown.

Gilbert, the founder of Quicken Loans and the Rock Companies, became the 10th richest person in the world for a day last Tuesday, with the largest wealth increase in a single day among the history of richest billionaires alive. His net worth now stands at \$57.3 billion, while the poverty rate in Detroit is 30 percent.

Incredibly, after thanking the real estate mogul Gilbert, Duggan said that there is “no greater disparity in trying to start a business than the racial gap,” and asked “Who gets the prime property? Those with a sophisticated real estate background.” As if he had no role in giving prime real estate to billionaire speculators, including the “Gilbert bills” rammed through the state house and senate in 2017!

After hailing Gilbert and Ilitch, Duggan moved on to an important base of his political supporters within the black upper middle class in Detroit. While he has functioned as a power broker with the Detroit billionaire elite and the global auto industry, Duggan has been careful to ensure that a section of these businesses and individuals have been included and allowed to cash in on the “comeback” of the city.

Duggan boasted about his ability to get financing and grant money for the city’s African American elite from JP Morgan Chase and Kellogg Foundation, which have agreed to invest \$18 million in an “entrepreneur of color” fund in Detroit.

Duggan returned to the “equity” concept in discussing 4,000 housing units that were being reserved for low-income residents for the next 15 to 30 years. The Detroit Land Bank Authority currently owns 88,000 houses within the city proper, or approximately 25 percent of all residential properties.

He claimed that 16,500 vacant lots throughout the city have been sold to owners of neighboring properties in the “largest transfer of property in America from city to residents,” with no mention of why tens of thousands of blighted homes and lots have been sitting empty for decades or who is responsible for it.

While referencing the moratorium on water shutoffs and evictions, Duggan again placed the blame squarely on residents

and said that “we owe Whitmer an enormous debt of gratitude” for water bill funding and the assistance programs that have been set up recently. “You have to help yourself. Those who can afford to pay, must pay. We do need to find a permanent solution for 2023.”

The mayor did not mention the more than 1,856 Detroit residents who died from COVID-19 until near the end of his more than hour-long speech. Detroit became an early epicenter of the pandemic with hospitals so overwhelmed that medical workers at Sinai-Grace hospital, owned by the mayor’s former company Detroit Medical Center, had to stack bodies in vacant rooms and utility closets.

The economic fallout for the pandemic led to an official unemployment rate of nearly 50 percent. Despite Duggan’s boasts about new jobs, the official unemployment rate in Detroit remains at 20 percent, with the real numbers much higher due to the thousands who have fallen out of the labor force.

He bragged that “Detroit led this country in dropping the COVID infection rate,” not acknowledging why the impoverished city was one of the early epicenters to begin with. Duggan closed his address by asking viewers to “remember those we have lost,” including an image from a summer tribute on Belle Isle to COVID-19 victims.

Instead of doing everything possible in the next months—including keeping schools closed and non-essential workplaces shut down—to keep workers safe until vaccines are made available to all, Duggan chastised the population for distrusting the city’s vaccination plan. “If we don’t get vaccinated, we’re going to be going to funerals that are not necessary. Let’s get vaccinated and let’s get Detroit back open.”

While Duggan and his corporate and local business backers are hailing the “comeback” of Detroit, it is a fact that a new generation of the working class is being hired and developed in the city and these workers will be coming into struggle against capitalism. With the UAW completely discredited and the Democratic Party exposed as a right-wing instrument of the corporate and financial elite, these largely younger and internationally diverse workers will be receptive to the program of socialism advanced only by the *World Socialist Web Site* and Socialist Equality Party.



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