

Michigan Governor Whitmer releases 2025 budget plan tailored to corporate priorities

Kevin Reed
14 February 2024

Michigan Governor Gretchen Whitmer released her executive budget recommendation for 2025 on February 7, calling it a “roadmap for making it in Michigan.”

In a press release introducing her sixth budget since taking office in 2019, the Democratic Party governor never explains what “making it in Michigan” means. This is no accident since her budget priorities as well as the amounts of money being proposed does little or nothing to address the social crisis facing the state’s working class population. For the sizeable section of the Michigan population living in poverty, it means they will continue not “making it” at all.

Although she claims her budget plan is “once again prioritizing the issues that make a real difference in people’s lives,” the emphasis in the budget is on fiscal responsibility and balancing the state’s finances by “cutting red tape,” along with providing funds for private enterprise and for “reducing crime.”

In overall spending, the plan for 2025 is smaller than the one that was passed for 2024 by \$1 billion. The budget has been characterized by Whitmer administration officials as a “return to normal” after years of a budget surplus due to federal stimulus money handed out to states during the COVID-19 pandemic.

Significantly, the surplus funds were not used to prevent the deadly spread of the coronavirus. Since the public health emergency was declared over in Michigan on May 11, 2023, approximately 1,320 people in the state have died from COVID-19 according to official statistics which are likely a vast undercount. The governor’s budget plan only mentions the pandemic in the past tense and repeatedly refers to efforts to return economic and social conditions to “pre-pandemic” levels.

While the governor is quoted in the press statement as

saying the budget “lower’s costs for working families,” State Budget Director Jen Flood explains that the solutions being offered for “families across Michigan... feeling the pinch of rising costs,” is through “investments that will make a real difference for Michiganders across the state.”

A large portion of the investments are going to private businesses in the form of “Economic Development” funding to “attract new manufacturers and industries to Michigan helping to diversify our economy and compete nationally for high-paying jobs.”

Under the heading, “Making it in Michigan,” the budget calls for \$500 million in “continued investment in the Strategic Outreach Attraction Reserve fund” and \$100 million “for a research and development tax credit to spur innovation while lowering costs for business.”

Governor Whitmer’s funding proposals for expanded free pre-K and community college education, which have been emphasized in the corporate media coverage, amount to window dressing since Republican opposition will likely block passage in the state House, which is deadlocked at 54-54 with no tie breaker.

Even so, the proposed increase in funding for education is 2.5 percent, whereas Governor Whitmer’s budget recommends a “5 percent ongoing statutory revenue sharing increase for local units of governments, as well as a 2 percent one-time allocation specifically designed to support public safety.”

While the Democrats and some media outlets have emphasized the governor’s claims of “easing pocketbook issues” for the state’s population, the reality is that the spending plan is measly and a drop-in-the-bucket for working class and poor families in Michigan.

Unemployment in Michigan stood at 3.7 percent as of December 2023. One-third of Michigan counties have

unemployment above 5 percent and Cheboygan County and Mackinac County have rates of 10.8 and 15.5 percent respectively.

According to data released by the US Census Bureau in December, the poverty rate in Michigan stands at 13 percent, meaning approximately 1.3 million people living in poverty in a state of 10 million people. Meanwhile, 18 percent of people younger than 18 years old are living in poverty, with 27 percent of African American youth in poverty. A family of three is considered to be in poverty in Michigan when they are living on just \$25,000 or less per year.

In Wayne County, where Detroit is located, 21.2 percent of the population is in poverty while the number in Detroit is 33.8 percent or more than one in three residents. These numbers are all greater than they were before the pandemic.

The number of people in Michigan who are homeless was measured at 32,000 in 2022, which was an increase of 8 percent over the previous year. For young people ages 18 to 24, homelessness grew by 16 percent in 2022.

At the same time, there are eight Michigan residents who made the Forbes list of America's richest people including Dan Gilbert of Rocket Mortgage (\$21.3 billion), Mat Ishbia of United Wholesale Mortgage (\$6.7 billion), Marian Ilitch of Little Caesars Pizza (\$4 billion) and Roger Penske of Team Penske (\$4 billion).

The governor's budget recommendation refers casually to indicators of the crisis facing the working class in Michigan while the overall decline in social conditions is not acknowledged. The role of the state government in systematically attacking social programs and public education for decades in the state is completely covered up.

Instead, the reality facing millions of people is glossed over with phrases such as "building a brighter future for anyone who wants to call Michigan home."



To contact the WSWs and the
Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)