

Christmas in Detroit: Holiday galas for the rich as GM workers face mass layoffs and low-income residents are evicted

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As Detroit's corporate and political elite switch on the Christmas lights and prepare for a season of galas, charity photo-ops and waterfront holiday parties, the reality facing working class families this Christmas season is one of mass layoffs, forced relocations and wintertime evictions.

At the start of the holiday season, General Motors announced the permanent layoff of 1,140 workers at its Factory Zero Detroit-Hamtramck Assembly Center, effective January 5. One day after Thanksgiving, dozens of low-income and elderly tenants at the historic Leland House downtown were abruptly told they must leave their homes or face having their electricity cut off in the dead of winter.

Taken together, these events expose the real content of Detroit's corporate-driven "revival": record profits, luxury towers and holiday parties for the financial and political elite, and unemployment and homelessness for the working class.

GM's WARN (Worker Adjustment and Retraining Notification) Act filing on November 20 announced that 1,140 Factory Zero workers—assembly operators, material handlers and other workers—will be permanently laid off due to "slower near-term EV adoption." The entire facility will be cut to a single shift, hollowing out what was hailed only recently as the centerpiece of GM's all-electric future.

These layoffs follow months of "temporary" cuts and shift suspensions throughout the auto industry, which the United Auto Workers bureaucracy has brushed aside even as they hailed Trump's trade war measures.

For many workers, the layoffs are a second or third round of displacement. A number were forced to uproot their lives after previous layoffs. One worker told the WSWs Tuesday that she is forced to drive five hours round trip every day from Fort Wayne, Indiana to Factory Zero. "I'm seven months pregnant. I'm exhausted. But I didn't have a choice—this was the job GM forced me into when I was laid off."

Another worker said, "I left a job I had for seven years at Magna to come here just to get laid off after a year and a half. If you're lucky enough to get a transfer, you're going to have to go to Flint, Toledo or somewhere else."

"I don't know much about the layoffs, but when they come, I will be affected," another worker with three years said. "For us to be Motor Trend's Winner of the Year and being laid off is kind of

backwards. If everyone was on one accord, we could fight this."

A veteran worker said, "We're all brothers, and we all need to be working. It is not right that people are being laid off, especially around Christmas and holiday time. People need to be working."

A worker hired less than a year ago added: "I'm going to be laid off. All I can do is sign up for unemployment and wait on a phone call. Before I came here, I worked at Chrysler. I was laid off, and two weeks later I got a robocall saying I was terminated because they didn't need me anymore."

The Factory Zero layoffs occur alongside mass layoffs at Ford's Dearborn Truck Plant and the Rouge Electric Vehicle Center, affecting roughly 4,000 workers. Across GM's EV and battery operations in Michigan, Ohio and Tennessee, thousands more jobs have been slashed or idled. The transfer to EV production—hailed as the future of the auto industry—has been severely impacted by Trump's move to end consumer tax credits for EVs.

The mass layoffs, however, are not a temporary moment of "market adjustment," but a coordinated restructuring of the auto industry—backed by both parties—to slash costs and accelerate trade and military conflict with China. This is being done with the blessing of UAW President Shawn Fain and the whole union apparatus.

The brutality of GM's layoffs is underscored by the company's simultaneous announcement that in January—the exact month more than 1,100 workers are being fired—it will relocate its headquarters to billionaire Dan Gilbert's new Hudson's skyscraper. GM has signed a 15-year, multilevel lease for the top floors, providing Gilbert a massive long-term revenue stream built on public subsidies. While workers fear foreclosure, eviction and unpaid bills, GM executives will be sipping champagne in a glittering tower at the heart of downtown's luxury redevelopment district.

This obscene inequality is personified in GM CEO Mary Barra, whose last reported pay package was \$29.5 million for 2024—up nearly 6 percent from the previous year. The total compensation included \$2.1 million in base salary, \$19.5 million in stock awards, \$6.7 million in incentive pay and \$1.2 million in perks and benefits. GM's cost-cutting, plant closures and restructuring—which have destroyed thousands of jobs—are precisely what fueled the company's record profits and made Barra the highest paid of the Detroit Three executives.

Workers across Factory Zero condemned the UAW for

withholding information, refusing to oppose layoffs, and leaving workers to navigate the crisis alone. “There’s been zero information,” one said. “Everything is rumors. The leadership is AWOL.” Another explained: “Laid-off workers can only transfer based on seniority. Most of us were hired in 2024 or after. We have no hope of transferring anywhere.”

Many denounced the union’s 2023 contract—promoted by Fain as “historic”—as the mechanism that opened the door to mass layoffs. “That contract let GM do whatever they want,” a worker said. “It didn’t protect a single job.” Several reacted angrily when asked about Fain supporting Trump’s tariffs.

A 20-year GM veteran described how contract workers are being used to replace skilled trades: “They’re using Subsystems to replace skilled trades. They do the same work for less money. It’s all about cutting costs.” Another said: “New people have to learn everything through word of mouth. I do my own research because it’s the only way to know what’s going on.” A younger worker added: “Contract workers do the same job but make less money. No one knows what’s going to happen next year.”

Mass eviction notices the day after Thanksgiving

On November 28, tenants at the Leland House downtown received a letter informing them the building “will be required to shut down” on December 3 unless the landlord pays a \$43,000 power bill to DTE Energy. Without immediate payment, DTE will cut electricity to the building. The Leland House, once the Detroit-Leland Hotel (1927), now houses roughly 40 residents, many elderly or disabled, paying around \$550 per month for rent and utilities—an impossible rate to find in a downtown dominated by luxury developments.

A former truck driver who has lived there for two years told the WSWs: “We didn’t get any notice. I found out Sunday. I worked over the weekend, so I couldn’t get things moving until today. There’s no sympathy coming from DTE or the city. These are good, hard-working people here. We all get along with each other. Right now, I’m driving for DoorDash until I can get back on the road.”

He added that the eviction is clearly part of a larger development scheme: “It’s just an excuse with the electricity being turned off. This place is a historical landmark. In a year or two I wouldn’t be surprised if they turn this into another place where poor people will never be able to afford.”

When asked about the GM layoffs, he said: “A thousand workers losing their jobs? And they just invested all that money in the plant? We know what Trump did last time and what he’s doing now. But I’m not for either party.”

Detroit’s Democratic Party leadership—Mayor Mike Duggan and incoming Mayor Mary Sheffield—has done nothing to stop the shutoff or defend residents. Instead, the city’s law department is working with bankruptcy courts, not tenants.

City Hall functions as a clearinghouse for the real estate developers who dominate downtown—Dan Gilbert and the Ilitch

family. Working class and poor residents who lived downtown have seen this movie before. During the 2013-14 bankruptcy restructuring, retired workers living in a rent subsidized senior housing building were evicted from the Griswold Apartments.

Soon afterwards, the new owner declared they would terminate the Section 8 contract with the Department of Housing and Urban Development and raise rates to “market rent.” The new owners carried out long delayed infrastructure repairs and relaunched the apartments as the upscale “The Albert,” with one-bedroom apartments renting for \$2,146 a month or more.

While workers face layoffs and evictions, the city’s elite celebrate a month of holiday galas, waterfront loft parties and corporate festivities. Venues like Waterview Loft on the riverfront advertise executive holiday receptions, luxury corporate galas and even yacht-chartered holiday parties on the Detroit River. In a city where elderly tenants face winter shutoffs and autoworkers face forced unemployment, the wealthy toast the holidays in glass-walled ballrooms overlooking the skyline.

The contrast could not be clearer: GM executives celebrate record profits in a billionaire’s tower; Mary Barra pockets nearly \$30 million; UAW leaders draw six-figure salaries while hiding layoffs; DTE Energy threatens to plunge elderly residents into darkness; and developers prepare to convert historic buildings into luxury units. For workers, the holidays bring fear: unemployment, hunger, homelessness and heating shutoffs.

Workers at Factory Zero, Dearborn Truck, REV-C, Leland House and across Detroit cannot rely on the UAW bureaucracy or Democratic Party officials who defend the corporations, developers and utilities.

Workers need to build rank-and-file committees in every GM, Ford and Stellantis plant; in supplier factories; in apartment buildings like Leland House; and among teachers, nurses, utility workers and logistics workers throughout Detroit and internationally. These committees, as part of the International Workers Alliance of Rank-and-File Committees, must launch a unified struggle against layoffs, evictions and utility shutoffs—linking up across borders and industries.

Such a counter-offensive by the working class must be guided by a new political perspective that is independent and opposed to both corporate-controlled parties and the capitalist system they defend. It must be based on a socialist program: the expropriation of the auto giants, utilities, banks and major real-estate holdings; democratic workers’ control over production and housing; and the guarantee of jobs, housing, heat and electricity as fundamental social rights.



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