

Detroit Workers' Voice



Detroit Marxist-Leninist Study Group PO Box 28536, Detroit, MI 48228 detroitworkersvoice@yahoo.com July 18, 2014 #113a

Continue the fight against capitalist austerity!

Orr's plan is a crime against the workers and poor!

Detroit Emergency Manager Orr knows no shame in his attempts to shove his city bankruptcy plan down the throats of the workers and poor. The results of city workers' votes on whether or not to accept his anti-worker plan will soon be known. But the vote has been rigged in Orr's favor. If the workers reject the present plan to attack their pensions, Orr promises to impose even greater cuts. And the sellout leadership of the unions have already declared their support for Orr's present plan. It will take enormous fortitude by the workers to break out of this trap. But whatever the outcome of the vote, the struggle against pension cuts and other attacks on the workers must continue!

And while Orr tries to tighten the noose around city workers, the water department authorities, with his blessings, have launched a new phase in their attacks against the poor. In the past couple of months, the city has cut water service to over 11,000 residents and threatens cuts to tens of thousands more. The main victims are those with financial hardships who may owe as little as \$150 for a 60 day period. Detroit Emergency Financial Manager Orr has submitted his Plan of Adjustment to the bankruptcy court. It's a plan to decimate the retirement and health care funds owed to city workers. It promises to reduce the workforce and wages. And the plan jeopardizes the financing of the Detroit Institute of Arts, a treasured part of Detroit culture. Prior to releasing the plan, Orr and the City Council also decided to privatize the trash collection system, another anti-worker disaster.

Orr's pension plans, old and new

The initial Orr plan to cut city workers pensions was shocking. The city workers' pensions averaged a modest \$19,000/year. Under Orr's first plan, these pensions would be slashed 26% immediately. The new plan being voted upon by city workers recently is also atrocious though. The immediate cut would be 4.5% and cost-of-living raises would be eliminated. So even with modest inflation for ten years, the buying power of pension payments would decline another 20-30 percent. These pension plans were supposed to be protected by the Michigan Constitution, but the bankruptcy judge doesn't give a damn. He's only interested in helping Orr stomp on the workers. Orr has made it known to the workers that if they reject his "kinder" second plan, he'll simply return to immediate giant cuts like the first plan. That's the sham democracy of the vote conducted by the Orr dictatorship.

Bankruptcy plan to cut off water to poor residents

The city bankruptcy plan includes depriving the workers and poor of water. Those behind on their bills must pay soon or see their water cut off. At first glance that might seem fair. After all, a few months ago half of all the 323,000 accounts were delinquent. But is this plan really fair? **NO!**

Water bill rates have been soaring, doubling over the last decade. Meanwhile working class and poor people have been hammered with job and pay cuts, and large cuts in social benefits. Such citizens find it impossible or very hard to pay their water bills without gutting some other necessities. On top of that there are cases where impoverished people find their water turned off without proper notice. One other thing. Although the vast majority of delinquent are ordinary folk, as of March these delinquencies make up only half of the money owed to the water department.

The other half of the money (\$175 million) is owed by a relative handful of businesses and industries. On average, each of these entities owed more than 10 times the amount of a residential homeowner or renter (\$7,700 vs. \$600). One golf course operator owes over \$500,000! It seems the authorities have been looking the other way for a long time when it comes to the wealthy. While from April thru June there were almost 15,000 shutoffs at residences, as of July 9th there were no shutoffs at commercial or industrial entities even though a significant number of them had been issued shutoff notices. Others have not yet been issued notices.

It's true that not all businesses are the same, and smaller businesses would feel the effects of the crackdown more than the big businesses. But this only emphasizes the general nature of the water shut offs and threats. It is a crackdown on those who can least afford to pay their bills.

City ends responsibility for retiree health care

EM Orr's plan sought to end the city's responsibility for employee health care. Now they have accomplished this through a deal with the sellout union leaders of AFSCME. With the recent ratification of AFSCME's new 5-year contract the city negates the more than \$4 billion it owes its healthcare fund and agrees to give the union about \$450 million for accepting responsibility for retiree health care. Retiree committees who had previously been negotiating with the city months ago said health care funding will greatly decrease under such a VEBA (Voluntary Employees' Beneficiary Association). So the city emergency plan now insures

that workers will see higher premium costs, rising out-of-pocket expenses, etc.

The AFSCME union leadership: partners in crime

City workers and other workers and activists are outraged by Orr's bankruptcy plans. But they are being betrayed by the leadership of the unions. At first the union leaders put on a show of opposition. But now they are telling the workers they have no choice but to bow down and accept their whipping to avoid future whippings by slave master Orr. We have just seen how they accepted the end of city-provided health care. But traitors like AFSCME leaders Ed McNeil and Al Garrett call for acceptance of the whole rotten bankruptcy plan. Thus, Garrett states their recent contract agreements with the city are "the best path forward for city employees and retirees. They simply cannot risk the further serious reductions in pension, pay and job security if the Plan [Orr's bankruptcy plan], and our collective bargaining agreements are not approved".

The Republicans and Democrats vs. the workers

Orr was sent to decimate the masses of Detroit by Republican Governor Snyder. Together they are carrying out the so-called Grand Bargain. They, and various capitalist foundations, promise to help reduce Detroit's deficits and save the Detroit Institute of Arts. But first the anti-worker onslaught must be accepted. So the "bargain" is the workers should be run over by the capitalists, the rich corporations and banks who caused the crisis.

Where then are the Democrats, the party that claims to be against Republican plans against the workers? Detroit Mayor Duggan is a Democrat and has pledged to cooperate with Orr. Snyder's predecessor Jennifer Granholm instituted Emergency Manager laws similar to the law that allowed Snyder to send Orr to Detroit. Democrat president Obama has done virtually nothing. Basically the local Democrats are allied with the sellout union leaders.

The road ahead

With such powerful forces lined up against the workers and poor, the situation may seem hopeless. But the final verdict has yet to be rendered by the bankruptcy judges, and there may be opportunities to get changes in favor of the working masses. This rests on the struggle of the rank and file.

There is still great anger against Orr's plan and that anger needs to be organized. Within the unions there have been some voices raised against the sellout leaders, and in 2012, AFSCME Local 207 organized a walkout of some water department workers. There have been many worker and community meetings, marches and other protests of the bankruptcy plan, including recent attempts to block vehicles sent to shut off water supplies. Related movements have broken out against house foreclosures and to raise the minimum wage to \$15/hour.

The struggle against the Detroit bankruptcy plan has not been strong enough to reverse Orr's plan, but it has caused

the authorities to reconfigure some of the worst aspects, meaning the protests have had some effect. But even if the Plan goes through with little basic change, the beginning steps at organizing will not be in vain.

Stronger organization of the workers will be needed. Go directly to the workers and poor in the workplaces and communities. Such organizations must have no illusions in the capitalist parties and the present union leaderships and prepare for battle without them. That's what will matter in the long battle against capitalist austerity.

**Down with Orr's bankruptcy plan!
No to water shutoffs!
Solidarity with the city workers! []**

Website: www.comunistvoice.org

Read *Communist Voice* for revolutionary working-class theory against the capitalist system. True Marxism-Leninism has nothing to do with the false "communist" regimes like the former Soviet Union, China, or Cuba.

The free market versus the environment

Say *NO* to fracking! (communistvoice.org/47cFracking.html)

Fukushima shows why we must build the fight against all nukes! (communistvoice.org/CV46pFukushima.pdf)

The carbon tax – another failed market measure to avoid environmental planning (communistvoice.org/42cCarbonTax.html)

Marx and Engels on protecting the environment (www.comunistvoice.org/40cMarx.html)

International solidarity

Why to support the Syrian uprising: the Arab Spring and anti-imperialism (www.comunistvoice.org/48cImperialismPanel.html)

Solidarity with the people of Gaza! (www.comunistvoice.org/43cGaza.html)

In defense of Marxism-Leninism

Trotskyism and Stalinism as equally evil twins (communistvoice.org/49cTrotskyism.html)

The labor hour is *NOT* the natural unit of economic calculation for socialist society (communistvoice.org/00LaborHour.html)

Communist organizing at the workplace

Drawing the working class into the political movement (communistvoice.org/WAS8702Politics.html)

The CPUSA's work in auto and the change in line of the mid-1930s (communistvoice.org/WAS8703CPUSA-UAW.html)

Fight capitalist austerity!

Postal workers and postal service under attack (communistvoice.org/DWV106.pdf)

The fiscal cliff, and what to do about it (communistvoice.org/DWV-130113.html)

The auto bailout – devastating the workers to resurrect the auto capitalists (communistvoice.org/DWV-090614.html)

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