

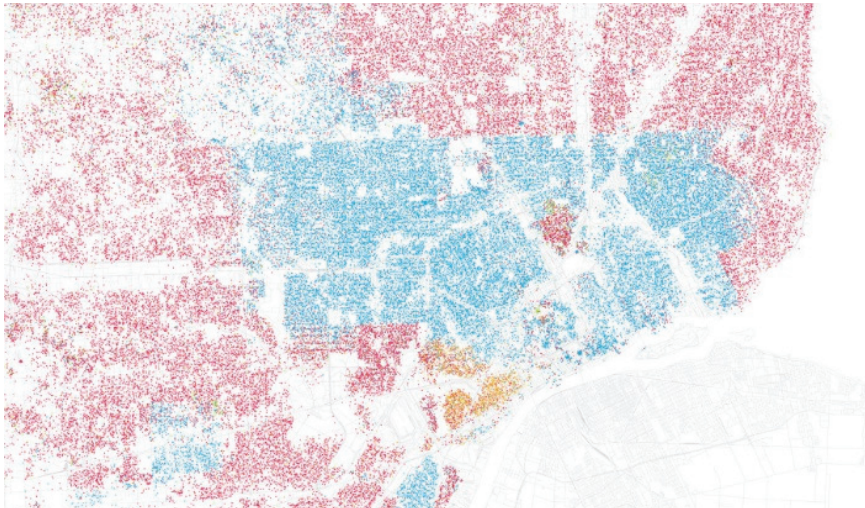
DETROIT 2016

Linking Struggles
for Racial and Economic
Justice



Detroiters Resisting Emergency Management (D-REM)
www.d-rem.org

The Metro Detroit area remains among the most racially and economically segregated in the United States, both in terms of the relationship between Detroit and its suburbs and within the City itself. The map below depicts this racial segregation. Note the hard line along 8 Mile Road, and the growing numbers of Whites residing downtown, in the “Midtown” area, as well as in Corktown and Southwest Detroit.



Race and Ethnicity: Detroit

Each dot represents 25 people. Census 2000.

Red: White population

Blue: African American population

Green: Asian population

Orange: Hispanic population

“The world moves when we all learn, wherever we come from, to question the systems of power, privilege and prejudice in which we are raised, and to consider how we might best lend our energies and resources to shift those systems, to make life fairer and freer for everyone...”

Laurie Penny¹

A wide range of policy changes, initiated by financial institutions, foundations, and wealthy investors, and implemented by Emergency Managers under the direction of Governor Snyder, have generated profound racial and economic injustice in Detroit. Governor Rick Snyder’s appointment of Kevyn Orr as Emergency Manager in 2013 stripped local, democratically elected officials of all powers vested in them by the citizens of Detroit. Accountable to no one but the Governor, and with total control over the City’s finances, Orr imposed a brutal takeover of the public pension systems and initiated the restructuring of several major institutions, the Detroit Water and Sewerage Department (DWSD) among them.

At Orr’s recommendation, and with Snyder’s approval, the City filed for the largest Chapter 9 bankruptcy in United States history, enabling the seizure of City assets by White suburban interests. For example, the regionalization and corporatization of DWSD benefits relatively affluent White suburbanites at the expense of low-income, predominantly African American Detroit residents, who continue to be charged disproportionately high, unaffordable rates for water. In the housing arena, federal foreclosure-prevention funds intended to help citizens keep their homes have been siphoned off to pay contractors for the

demolition of blighted buildings—all of this clearing the way for new housing developments backed by banks and real estate speculators.

As a result of these policies, the “revitalized” Detroit is a “tale of two cities:” One city prosperous and White, the other increasingly poor and African American. Residents of the first are welcomed with open arms to advance the gentrification of the downtown core. Covering a recent joint appearance of Mayor Duggan and Jamie Dimon, CEO of the predator bank, JP Morgan Chase, the Detroit News touted that the City’s White population was projected to have increased by 8,000 in 2014. Meanwhile, African Americans, other people of color and poor residents are subjected to systematic disinvestment, dispossession, and displacement, deprived of housing, water, public education, transportation, and other essential services.

In order to ensure the survival of our communities, we have to resist the practices and policies being imposed by Governor Snyder and the corporate elite through Emergency Management. These policies are fostering untold suffering among the residents of Detroit’s historic neighborhoods. For example, the decision to fund the region’s water system based on “aggressive” debt collections has meant water shut-offs to thousands of Detroit’s poorest residents. At the same time, the City is providing tax abatements and subsidies to billionaires like Dan Gilbert and Mike Ilitch, instead of taxing these corporations to pay for the infrastructure and services they take for granted.

This most recent wave of EM policies continues the transfer of wealth from the City to rich suburbanites and newly arriving urban settlers. Unfortunately, the astounding racial and economic inequities being created have come to be considered

by some as “normal.” Make no mistake: the intention behind this corporate-backed, top-down reconstruction of the City is removal of African Americans, people of the color and the poor. At a foundation-funded “Detroit Future City” forum on October 27, 2015, featured speaker John Austin stated the objective clearly: “This piece of real estate’s spectacular if we clean it up and make it available to people.” In Metro Detroit, efforts to “clean up” the City have historically benefitted Whites only. These shameful practices and policies must be confronted and overturned.

Here we offer a discussion of key fronts of struggle. We are linking together an understanding of these struggles towards building solidarity among ourselves, and hopefully forming a more unified force of visionary organizing and resistance.



Responding to the Crisis in Education

Since 1999, Detroit Public Schools (DPS) have been placed under a series of unelected, state-appointed Emergency Managers (EMs) whose policies and practices have wrecked Detroit's public education system beyond recognition. The democratically elected school board has been rendered powerless under these EMs. A recent EM was Darnell Earley, fresh from his previous assignment in Flint, where he oversaw the contamination of the municipal water supply and then tried to disclaim any responsibility. Even after Governor Snyder admitted that EM policies had failed DPS, he still appointed Earley as DPS's EM. He then proposed an incomprehensible debt-funding scheme that would divide DPS into two entities, with the "old" board required to pay off the enormous debt. This debt is directly attributable to the racist policies, financial malfeasance and theft of administrators under Emergency Management.

Most recently, the Governor has appointed Detroit bankruptcy Judge Steven Rhodes to the position of EM over DPS. Rhodes openly admits his total lack of qualifications: "I told the governor when he approached me that I don't know anything about academics or education or how to run a school system..."² However, the Governor could be certain that whatever decisions Rhodes might make, he would serve the interest of Detroit's White corporate elite, not Detroit's children.

Corporate policies and strategies and their racist political objectives have ensured that several generations of Detroit children have been robbed of an education. Thousands of Detroit children have suffered through years of disorganized curricula and sporadic class schedules, administrative corruption and irresponsibility under Emergency Management, ineffective school-parent communication, and poorly maintained, unsafe facilities.

There is nothing in such a degraded system that can provide the knowledge, skill sets and social development that our children need. In 2016, DPS teachers organized a wave of sickouts to protest the state's continuing exploitation of Detroit's children. We support the actions of the teachers who refuse to cooperate further with the Emergency Management's failed policies and systematic destruction of the school system. These policies deprive our children of an education as they fatten corporate interests and the pockets of depraved appointed administrators who are not accountable to our communities or our local elected school board. We support the teachers' stand against further exploitation of Detroit's school children.

The crisis in our public education system requires us to initiate new educational projects to address the profound needs of Detroit's children. These include the recently launched community-based freedom schools emerging across the city, but there is need to devise many alternative educational activities, with students and young adults taking the lead, as we envision the cultural values we wish to bring to fruition in our communities.

As we shake off the racist, corporate propaganda informing current visions for Detroit's "revitalization," educational practices that foster liberation and community well-being will play a pivotal role in our striving for racial and economic justice. This challenge must be taken up immediately.

Water is a Human Right!

The scandal of mass water shut-offs targeting low-income Detroiters in the heart of the Great Lakes region has exposed the moral bankruptcy of EM Kevyn Orr and his successor, Mayor Mike Duggan. In response to thousands of Detroiters' mobilizing in marches and protests, and after visiting the City to survey conditions on the ground, the United Nations condemned the shut-offs as a violation of the human right to water and sanitation. Nevertheless, ongoing shut-offs remain a key part of efforts to "clean up" Detroit's 139 square miles of "spectacular real estate," rendering properties cheap and available for mostly White newcomers at the expense of the long-time, majority African American residents who are being dispossessed and displaced.

As with DPS, the Detroit Water and Sewerage Department (DWSD) and its regional offshoot, the Great Lakes Water Authority (GLWA), are currently being developed as if they were for-profit corporations. This "optimization" process has included mass water shut-offs targeting tens of thousands of low-income Detroiters who find themselves unable to pay continually rising rates. Shutting off the water of residential customers has become the preferred method for collecting debts and generating revenue for the financially troubled water department. At the same time, roughly 50% of DWSD's operating budget is currently devoted to paying debts to major banks, such as Bank of America, these debts stemming largely from bad interest rate swap deals. Simply put: exorbitantly high water and sewerage rates are being charged to low-income Detroiters, whose human right to water is violated when they can no longer afford to pay their bills, all for the sake of funneling money to the banks. Meanwhile, Veolia, known for its exploitative practices in several U. S. cities and abroad, has served as a chief consultant throughout the regionalization of Detroit's water system. How

long before the regional water authority is privatized amid cries of “economic necessity”?

Thanks to the courageous, long-term leadership of groups like the Peoples Water Board, Michigan Welfare Rights Organization, and We the People of Detroit, we have been able to advance the people’s call that water is a commons, a human right, and a public trust. We know Detroit’s water system is a crucial agency for public health, economic development and quality of life for millions in Southeast Michigan. Grassroots resistance strategies—sharing hoses, establishing community water stations, reconnections to the system and volunteer delivery of water—have lightened the burden somewhat for residents whose water has been shutoff.

However, the necessary alternative to unaffordable water rates and mass shut-offs has long been known: It is the Water Affordability Plan (WAP), proposed in 2005 by Michigan Welfare Rights and approved by Detroit’s City Council in 2006. This plan would permit low-income residents to pay a reasonable percentage of their household income for water. Such a payment system would ensure regular revenue to pay the substantial costs of maintaining and repairing DWSD infrastructure. City leadership has rejected this plan. Instead, their conversations circle endlessly around the alleged “illegality” of affordable rate structures (a contention that legal experts have disproven), so-called “consumer protection” for those who can readily afford to pay, and the endless scapegoating of Detroiters for alleged waste and corruption in the system. Kate Levy has documented the history and present realities of these regressive ideologies in her film, *I Do Mind Dying: Stories from Detroit About Water*, which is available for viewing on her website: <http://www.detroitmindsdying.org>.

We believe working towards racial and economic justice in Detroit requires (1) affirming water as a commons, a human right, and a public trust; (2) placing a moratorium on water shut-offs; (3) restoring services to everyone whose water has been disconnected, at affordable rates tailored to income-levels; (4) ensuring adequate regional funding for the maintenance and repair of necessary infrastructure; and (5) ending the criminalization of individuals who are resisting shut-offs and turning water back on to meet basic survival needs.





Home Foreclosures: Dispossession of Neighborhoods

Long before the international financial crash of 2008, many Detroiters were already struggling through wave after wave of home foreclosures resulting from subprime financing, regional inequity rooted in a history of White flight and redlining, and government neglect of quality of life issues in most of the City's neighborhoods. Detroit Eviction Defense and Moratorium Now have been leading the resistance against this onslaught of home dispossession. Recent explosions in downtown real estate investment have added insult to injury, reinforcing the "tale of two cities" dynamic. Most of Detroit's neighborhoods are purposefully destabilized in favor of tax-subsidized "development" of the downtown core and "Midtown" area. High quality amenities for middle- and upper class newcomers, mostly White, are being financed, while longtime residents are facing mass evictions.

Strategic neglect of neighborhoods by developer-friendly foundations and politicians is then represented in the media as a story of "abandonment"—an image meant to lend credence to the corporate assertion that "all development is good development" and "anything is better than nothing." Existing residents are seen by many in power as impediments to "neighborhood revitalization strategies," which can move forward expeditiously with about a quarter of the population at severe risk of foreclosure.

With the 2016 foreclosure crisis looming and after years of failing to properly assess properties (the City's legal obligation) resulting in inflated tax bills with 18% interest penalties imposed by Wayne County, unjust fees and foreclosures for long-time Detroit residents, the Mayor's office just announced that the City will finally lower assessments on a majority of residences—this

after thousands have already been displaced, partially due to inflated tax bills.

As with the water crisis, the corporate media and Detroit's unaccountable leaders are framing the foreclosure and affordable housing crises as "natural" and/or "economic" disasters. The City's campaign against "blight" consumes millions of taxpayer dollars, while leaving thousands of residents facing foreclosure despite their qualifying for income-based tax exemptions, or due to exaggerated tax bills based on inflated property assessments. Instead of placing a moratorium on tax foreclosures to keep citizens in their homes as the first priority to Detroit's housing emergency, City officials press on with what has been called Detroit's Katrina, a foreclosure hurricane.

In 2015, Wayne County administered the largest tax foreclosure in US history. 61,881 properties fell into foreclosure, with 36,824 still occupied (representing nearly 100,000 people). A mere 8,000 occupied homes were put up for auction, the remainder having been temporarily rescued through "affordable payment plans." But missing a single payment over the course of the five-year repayment period immediately places a homeowner back into foreclosure. In 2016, 63,371 properties in Wayne County are at risk. 85% (53,735) of those properties are in Detroit, and 38,975 of them are occupied. Based on census data showing average household size of 2.84, 110,689 people face displacement in 2016. It appears that City and county officials intend to continue cannibalizing the City and creating a major pipeline for more blight and displacement.

We must stop the mass evictions. Detroit's housing crisis isn't a matter of lack of money. It is a crisis of race-based plunder—of white

supremacy in action. A city government that functioned to protect the general welfare of Detroiters would place a moratorium on tax foreclosures until all households eligible for income-based tax exemption are identified and enrolled, and all homes have been accurately assessed with retroactive relief for those wrongfully foreclosed on or fined.

The long-term solution to Detroit's housing crisis lies in the development of truly affordable housing. Detroiters are already developing creative models like community land trusts and limited-equity cooperative housing to address critical human needs. We are joining forces across the City, declaring Foreclosure Free Zones, defending our neighbors from evictions, and protecting our neighborhoods.

Whose Story, Whose City?

"Narratives can be fragile when the facts start to work against them."

Kaitlyn Buss³



Since the middle of the twentieth century, Detroit has been subjected to systematic disinvestment and capital flight as part of broader processes of deindustrialization and corporate globalization. As auto manufacturers and other large corporations relocated factories elsewhere in pursuit of cheaper labor and fewer regulations, working Detroiters were forced out of stable jobs and into precarious socio-economic conditions, with many being pushed out of waged employment altogether. Federal and state governments funded the construction of freeways to facilitate the movement of tens of thousands of White residents out of the City, offering them tax breaks to support their purchase of newly constructed homes in segregated suburbs. These historic facts refute the dominant narrative projected by capital and White supremacy, which asserts it was the incompetence of African American leaders that engendered the City's crisis.

With Detroit's population and tax base declining through government and corporate support for White flight, and levels of unemployment and poverty steadily on the rise, City government struggled to generate revenue to fund the City's vast infrastructure and the services upon which residents depend. As a result, the City became heavily indebted to banks and beholden to the economic and political demands of creditors and bond-rating agencies. Over the past several decades, this has meant entering into agreements to cut funds for public services while providing tax abatements to corporations in the hope of securing the higher bond ratings repeatedly promised to the City.

Yet following through on those agreements has led to a further dwindling population and tax base, followed by lower bond ratings—all perpetuating a vicious cycle of disinvestment.

More recently, under the auspices of Emergency Management, White supremacist corporations have fostered an alliance among foundations, financial institutions and politicians to implement the “Detroit Future City” plan. The policies of austerity, seizure of City assets, and urban triage (systematic withdrawal of City services from neighborhoods) carried out by this powerful alliance have further exacerbated the hardships of those already victimized by a dismantled education system, massive water shutoffs, and home foreclosures. Neocolonialist development policies and patterns that favor the White elite have created the current apartheid City, where there is heavy investment in the downtown and midtown core, with the neighborhoods neglected and struggling to survive.

Sadly, there are precedents for the racism of current development strategies.⁴ Writing about Detroit in the 1930s, historian Karen R. Miller notes strikingly similar dynamics: “The Detroit case shows how racial inequality persists because racism is always getting reinvented and repurposed for the contemporary world. In fact, it is this contemporary relevance of racism that makes it so powerful and so persistent.” David Freund has made similar observations about the post-World War II period of Detroit’s cultural and industrial glory. He explains that the logic of economic rationalism (a way thinking focused on markets, money, property, and the like) allows Whites to enact racist policies without feeling personally culpable of racism.

For a hundred years since African Americans started migrating to Detroit en masse during World War I, concentrated White power has prevailed in determining living conditions in the City. Although vigorously opposed by grassroots groups over several generations, this domination continues under state-directed Emergency Management.

A development agenda formulated by the people of Detroit’s historic communities would put the socio-economic welfare of the people first, and check the colonialist mind-set currently driving corporate-controlled state and city governance. We believe the current racial and economic injustices outlined here must be resisted in order to advance a people’s agenda.





Foundations: Corporate Control or Community Engagement?

With foundations overseeing the design and implementation of this colonialist vision of our City, Detroiters have been asking important questions about the roles of philanthropic organizations in further exacerbating economic and social inequalities. As organizers of the Allied Media Project have pointed out, “grassroots community organizers are leading some of the most innovative and necessary solutions to Detroit’s problems, but in the distribution of philanthropic funding, have been under-acknowledged and under-supported.”

Who should benefit from funding from foundations? Detroit’s long-time, majority African-American residents, its Latino residents, and other communities of color must be recognized. People-of-color-led organizations already serve as network facilitators and coalition builders. Funding and resources should be made available to such organizations to support emerging projects in all aspects of community life, including the arts and cultural programs, childcare, education, transportation, and housing. Economic development initiatives that further the displacement or marginalization of inner city residents should not be funded. When community groups raise concerns about the potentially harmful consequences of foundation-funded projects, foundation leaders should work to understand and address these concerns.

We can work to counteract the powerful influence exerted by foundations over local politics by strengthening the cultural engagement and self-determination of grassroots communities.



Conclusion

At fraudulently-elected Mayor Mike Duggan's 2016 "state of the city" address on February 23, youth leaders from Black Youth Project 100, Black Lives Matter Detroit, Detroiters Resisting Emergency Management, Raiz Up Detroit and the Detroit Light Brigade, under the collective slogan, "Shut Up Duggan," interrupted the White supremacist delusion of Detroit's elite. In the face of Duggan's sycophants and the politicians and corporations profiting from the campaign to Whiten and pillage Detroit, youth leaders spoke truth to power, demonstrating their rejection of the second- and third-class status assigned to them by Detroit's ruling class.⁵ This powerful act of resistance intimated what is possible in our larger struggle against the current corporate takeover.

As Detroit revolutionary union organizer General Baker pointed out, "Look, it's simple. We're in a class war." Dominant forces in the U.S. and in Michigan want to "revitalize" Detroit for their own benefit, regardless of the collateral damage to Detroiters. We demand a reckoning with racial and economic justice, and we will continue to assert our claims to live and thrive with full citizenship in this City.

Detroit needs all of us—working together towards these ends. Now.

1 <http://www.theguardian.com/commentisfree/2016/jan/25/transgender-brighton-college-rich-kids-break-rules>

2 <http://wdet.org/posts/2016/03/02/82637-judge-rhodes-out-of-retirement-into-the-schools/>

3 <http://www.detroitnews.com/story/opinion/2016/02/18/buss-editorial-detroit/80593354/>

4 <https://www.solidarity-us.org/site/node/4550>

5 <http://www.d-rem.org/?s=state+of+the+city>

