

Detroit Water Shutoffs on Pause, But Is It Enough?

By Abayomi Azikiwe and Jessica Desvarieux Global Research, August 13, 2014 The Real News Network 25 July 2014 Region: USA

JESSICA DESVARIEUX, TRNN PRODUCER: Welcome to The Real News Network. I'm Jessica in Baltimore. To watch this interview with Abayomi Azikiwe just click on the following website: <u>https://www.youtube.com/watch?v=rR6Yr3Dv6ac</u>

On Monday (July 21), the Detroit water and sewage department announced that it would suspend water shutoffs to residents who had not paid their bills for 15 days. That same day, after a two-month-long voting process, city pension holders, both workers and retirees, voted by a large majority to accept a 4.5 percent pension cut, as well as a loss of cost-of-living increases. This would affect 32,000 current and retired city employees.

To help us unravel and understand the situation in Detroit is our guest, Abayomi Azikiwe. He is the editor of the Pan-African News Wire and cofounder of several Detroit-area organizations, including the Moratorium NOW! Coalition to Stop Foreclosures, Evictions, and Utility Shutoffs.

Thanks for joining us, Abayomi.

ABAYOMI AZIKIWE, EDITOR, PAN-AFRICAN NEWS WIRE: Thank you for inviting me.

DESVARIEUX: So, Abayomi, let's start off with addressing the pension cut vote. Most of our viewers know that Detroit filed for bankruptcy and the city financial operations are being overseen by Detroit's emergency manager, Kevyn Orr. After the vote, he essentially said, quote, "The voting shows strong support for the city's plan to adjust its debt and for the investment necessary to provide essential services and put Detroit on secure financial footing." What's your response, Abayomi, will this cut put Detroit on secure financial footing?

AZIKIWE: No, it won't.

But first of all, the city of Detroit did not file bankruptcy. The bankruptcy was filed by the emergency manager, Kevyn Orr, who was appointed by Governor Rick Snyder. And Governor Rick Snyder drafted a law which contravened and essentially nullified a November 2012 election, where the overwhelming majority of people in the state of Michigan voted against the Public Act 4, which was the emergency manager law. Over 221,000 people signed petitions to have it placed on the ballot in order for a referendum to be held which rejected emergency management. Yet the right wing dominated legislature and the governor in Michigan enacted another law, Public Act 436, to essentially obliterate the popular will of the voters in the state of Michigan.

The plan of adjustment was crafted by the emergency manager at the aegis of the governor. It favors inherently the banks and the financial institutions and the corporations

over and above the residents, the workers, the municipal employees, and the retirees of the city of Detroit. The entire voting process was designed by the emergency management system. The votes were calculated with the ballots being sent out by a firm in California. They were not calculated or tabulated in the city of Detroit. There was no oversight involved in the entire process by those who had opposed and those who had a specific interest in the outcome of the vote.

DESVARIEUX: So, Abayomi, are you saying, essentially, that you're questioning the validity of the vote? Because the vote itself, many workers supported this plan. At least the official count is saying it. It showed that 82 percent of those eligible for police or fire pension voted in favor of the plan. Roughly 73 percent of other retirees and employees with pension benefits also voted for it. So why did the majority vote for this plan?

AZIKIWE: Well, we have no way of verifying those figures. The Los Angeles Times, in the July 22 edition, reporting on this issue, said that supposedly 32,000 ballots were sent out by this firm in California to those people considered creditors and that particular class involving the retirees.

They claim in the same article that less than 50 percent of the ballots that they claim were sent out were returned to this firm by noon on July 11. So you're talking about less than 50 percent of the ballots, according to their figures, were returned. They claim 32,000 were sent out, but we have no way of verifying that either.

So there were tremendous outpourings of opposition to this entire plan. The retirees in the city of Detroit have been in the leadership of the opposition to emergency management, to the threatened pension cuts. The retirees had their health care programs cancelled as of March 1 earlier this year. We had literally hundreds of legal objections that were filed which were heard on July 15 in federal bankruptcy court. Over 600 people filed legal objections. We're not talking about attorneys. We're talking about rank-and-file retirees, workers, community people who opposed this plan of adjustment. And nearly 80 of them testified after being selected in court on July 15. No one spoke up in favor of these pension cuts and the cancellation of health care, the privatization of public assets. All of the testimony was in opposition. So that's why we question the entire process, not just the elections, supposed elections that were held, which had no monitoring, which was not conducted in the city of Detroit, and we question the entire process of emergency management and the forced bankruptcy of the people of the city of Detroit.

DESVARIEUX: So let's switch gears a little bit and discuss the water crisis. We basically saw a massive protest last Friday over the water shutoffs and in the east end across the city. Some people were even arrested, blocking the entrance to the company that basically turned off the water. Now that the water shutoff has been suspended for two weeks, although the department is calling it a pause, not a moratorium, at the end of the day it seems that they're actually responding to the public pressure. Was this response enough for you?

AZIKIWE: No, it's not nearly enough. We want everyone's water who has been shut off should be immediately turned back on. We want the moratorium that was declared in federal court by Darryl Latimer, the deputy director of the Detroit Water and Sewage Department acting at the behest of emergency manager Kevyn Orr, who was appointed by Governor Rick Snyder, to extend the moratorium indefinitely. The National Nurses United were here last week for the Netroots Nation conference. They declared a public health emergency in the city of Detroit. This organization represents 188,000 health care professionals across the United States. It's a potential disaster for the city of Detroit, where these massive water shutoffs are taking place.

DESVARIEUX: But, Abayomi, I want to present the counterargument here, because you're going to have people saying, well, if you don't pay your bills, then you can't expect to have water. Is it really that simple?

AZIKIWE: It's not that simple at all. Many people have paid their bills and their water has still been shut off. Some people owe less than the stated \$150 in arrears and their water has been shut off.

This is arbitrary practices that are being carried out at the aegis of the emergency manager to, first of all, intimidate people in the neighborhoods in the city of Detroit as part of a larger program of repression that's going on here. There are many corporate clients who owe tens of thousands and even hundreds of thousands in arrears, and their services have not been shut off.

DESVARIEUX: Who are we talking about here?

AZIKIWE: The Detroit golf course. We're talking about Ilitch Holdings. We're talking about even the State of Michigan itself and the City of Detroit. And their services have not been terminated. So what we're saying is that the working people, the poor people in the city of Detroit should not be victimized by these efforts.

And we know that a request for a proposal was issued earlier this year for the private administration of the Detroit Water and Sewage Department, which is publicly owned at this time. There's no reason, other than a desire for profit, for the DWSD to be either administratively privatized or actually sold to private interests.

DESVARIEUX: I'm so glad you mentioned privatization, because we like to discuss this issue on

The Real News. You're really not going to see this anywhere else. But who is really behind this? What groups are looking to get rich over this privatization plan?

AZIKIWE: The banks, the financial institutions, bond insurers, corporations which are involved heavily in promoting the privatization of water services, they also are involved in the bottling and further mass commoditization and privatization of water, to promote the notion that bottled water is somehow superior to water coming out of streams and out of taps. So these are the interests, large-scale corporations who have a worldwide strategy for the privatization of water and the privatization of waterways and water services.

And there have been efforts in several cities inside the United States to privatize water, Stockton, California, for example. And it was such an abysmal failure that they had to turn it back over to the city itself. And that city also is in municipal bankruptcy as well as we speak. Also, in Atlanta, Georgia, there was the privatization of the administration of water there, and it was such a disaster that they had to turn it back over to a municipal entity for it to be managed.

We feel very strongly that the same situation would occur here in the city of Detroit. And when you have privatization and commodification, prices, rates go up astronomically. If you

just calculate a bottle of water in terms of its unit of production and value on the market, it's much higher than the current rates for water coming out of a tap. So this is the real agenda, and it's not just a Detroit problem. It's a problem that is in existence across the United States, and indeed internationally.

DESVARIEUX: I just want to get your quick take on this, because I know you're involved in challenging the bankruptcy emergency management and you've actually filed a lawsuit in federal bankruptcy court against the shutoffs. Can you just give us a quick update? What's going on? What's next for you guys on the ground?

AZIKIWE: Well, we're going to continue our Freedom Friday demonstrations. Last week was the largest, due to the intervention of the National Nurses United, the Netroots Nation conference, other trade union and social justice organizations from around the country who were here for a conference at Cobo conference center downtown. We're going to have another demonstration this coming Friday.

At present, we're demanding the extension, the indefinite extension of the moratorium on water shutoffs. We want everyone whose water has been shut off to be turned back on. We feel water is a human right. And we're going to continue to organize locally, nationally, and internationally to fight the privatization of the city of Detroit's water resources, and to fight also this unsustainable restructuring plan, which will not work here in the city of Detroit, because what they're trying to do is set a dangerous precedent for the theft of pensions, for the theft of health care programs, for the privatization of public assets, for the obliteration of local political control of governments. This is the real agenda, and this agenda is being extended throughout the United States. As I mentioned, there are other cities, such as Stockton; San Bernardino, California; we have Providence, Rhode Island; Harrisburg, Pennsylvania; Jefferson County, Alabama; the potential for Flint, Michigan; in Illinois, they're claiming that they're the worst-funded public pension system in the United States. All of these announcements and exposés in the financial publications across the country indicate a serious move on the part of the corporations, on the part of the financial institutions, to wage massive assaults on public entities, public pensions. We've seen what has happened in the public school systems across the country with charterization and privatization of public education. It has not improved educational outcomes. In fact, just the opposite has occurred.

So we feel a national effort is in order to preserve democratic control of municipalities throughout the United States.

DESVARIEUX: Alright. Abayomi Azikiwe, thank you so much for joining us.

AZIKIWE: Thank you so much.

DESVARIEUX: And thank you for joining us on The Real News Network.

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