

Thousands forced to live without water in Detroit

By James Brewer
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In the city of Detroit, Michigan, the shutoff of water service to residents continues to be carried out in epidemic proportions, forcing large swaths of the impoverished population to do without water.

The policy of the Detroit Water and Sewerage Department (DWSD), which provides water for the 200,000-plus customers within the city, is to shut off residents who are 60 days in arrears and owe more than \$150 on their water bills.

The result is that residents live on a knife-edge on a month-to-month basis to keep their water, the most basic and necessary of resources, running. According to DWSD figures, more than half of its customers are 60 days or more behind on their water payments.

With the decimation of the industrial employment base over decades, the city has become increasingly impoverished. US Census data reveals that 41 percent of Detroit residents have incomes below the official federal poverty threshold—which is a figure much lower than required for minimal subsistence. Detroit is the poorest large city (over 250,000 people) in the US, a drastic transformation from the era when automobile manufacturing made the city one of the most attractive places for workers to live.

The long-term response of the water department to the increasing poverty has been more stringent and punitive measures against poor residents. Historically, the price of water was maintained as low as possible. Water bills, which were nominal, were once issued every few months. In the last decade and a half water rates have increased dramatically. Since 2001, DWSD rates have gone up an average of 8 percent yearly, transforming a monthly bill from \$25 to over \$70 in just 15 years.

In addition, Detroit water bills are charged to addresses, not to individuals, often resulting in

residents being hit with exorbitant charges accrued from buildings that they have never occupied.

Fayette Coleman, 66, was featured in a story published by the *Detroit News* on December 14, titled “Detroiters struggle to survive without city water,” which illustrates what it is like to live without water.

Coleman’s water was shut off in May 2013. She lives in a “crumbling” home and collects rainwater that runs off her roof into a barrel to survive and carry out daily hygiene. According to the *News*, there are at least 4,000 (“and perhaps many more”) cases of residents living in homes that have had no running water for over a year.

Coleman, who lives on a \$954 a month Social Security disability check, explained that she had been keeping up with her water bills, until an unexpected bill for \$7,000—from another address—was delivered to her. She had to come up with \$700 to keep her water on. The address was from the house of a previous landlord who had filed bankruptcy.

Coleman is outraged: “How do you let someone’s bill get to \$7,000? You know I can’t pay that... Nobody can pay that here.”

The *News* cited DWSD figures showing that 9,200 residents are currently facing shutoff.

The DWSD has been aggressively pursuing shutoffs since the Detroit bankruptcy proceedings began. As part of the “monetizing” of city assets initiated through the process, which officially ended one year ago when Emergency Manager Kevyn Orr returned the city “back to democracy,” the DWSD sought to minimize its “bad debt” (unpaid water bills) in order to make itself more attractive to potential investors.

Each year, tens of thousands of families have been targeted for shutoff by the DWSD.

In September 2014, US bankruptcy Judge Steven Rhodes, who oversaw the Detroit proceedings,

famously answered the widespread outrage over water shutoffs that “there is no such right or law” that protects people from being deprived of water.

The *News* article cites newly installed DWSD head Gary Brown’s claims blaming residents for their own misfortune. Saying that help is available, he proclaims, “If you come in and say you are having an issue, we can find ways to help people. But you have to come in.”

This is a familiar tune. Justifying the shutoff policy, Brown states that 39,000 Detroit residents are on payment plans, and there are almost a million dollars available for assistance.

Brown is a hatchet man for the privatization of the DWSD. In his previous capacity as Chief Operations Officer for the City of Detroit, he has already sold off the city’s trash collection, street parking and public lighting to corporate entities resulting in the loss of hundreds of jobs.

As to the DWSD rate increases, private investors—bondholders—over the years have garnered increasingly higher returns from their stranglehold on the city and its main asset.

The DWSD debt, which was incessantly cited by Orr as an example of the city’s mismanagement, was a direct product of bondholders bleeding of the “cash cow” of the DWSD. For example, hundreds of millions of dollars in “penalties” were extracted from the city in a credit default swap deal, which the bankruptcy judge Rhodes acknowledged was likely illegal, yet the perpetrators still had to be paid off.

These costs are in effect, charged to the city’s ratepayers. The establishment of a new regional water system, the Great Lakes Water Authority, provides the legal pretext to undermine anything that was left of protections for the populace from being gouged by profiteers.

The strategy of the DWSD, led by Brown, to increase the extraction of profit from an increasingly impoverished population takes on a necessarily criminal character. The permanent halting of water shutoffs and guaranteeing the fundamental right to water can only be carried out as a product of a mass mobilization of the working class.

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