

Detroit Public Schools moves closer to bankruptcy and privatization

By Walter Gilberti
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Detroit teachers and schools employees are in danger of having their jobs, wages and benefits sacrificed in the interest of an anti-public schools agenda driven by Emergency Financial Manager Robert Bobb and the Obama administration.

In a two-pronged attack on the continued existence of public schools in Detroit, Bobb has hired four private professional education management firms to oversee instruction at 17 Detroit high schools, while, at the same time, ratcheting up his earlier threat to institute bankruptcy proceedings.

On July 9, Bobb met with retired US bankruptcy judge Ray Reynolds Graves to discuss possible Chapter 9 proceedings for the school district. Chapter 9 is a form of municipal bankruptcy that would allow the district to restructure, unencumbered by previous vendor and labor agreements. Bobb had raised the prospect of bankruptcy proceedings two weeks earlier, declaring that it would be impossible to eliminate the school district's more than \$400 million deficit in one year.

A declaration of bankruptcy, a rarely used option that would be unprecedented in Michigan, would open the door to the destruction of the public schools system in favor of a system of charter schools. This would be similar to what was done in the four years following the Katrina disaster in New Orleans, where the public schools system was effectively replaced by a decentralized system of competing charter schools, with teachers, at a fraction of the pre-Katrina work force, working without union contracts or seniority rights.

While Bobb has repeatedly stated that bankruptcy would be the "last resort," he had made it clear more than a month ago that he is following the "automotive model." Last Friday, General Motors emerged from bankruptcy, following the destruction of thousands of jobs, the imposition of massive wage and benefits concessions on the remaining workforce and retirees, and the closings of scores of dealerships.

The hiring of private companies, which have sprung up like weeds in the wake of the attack on public education over the last two decades, is not inconsistent with the bankruptcy threat. Rather, it means that Bobb is moving ahead with plans to privatize the school district, while creating conditions for the Detroit Federation of Teachers (DFT) to force a new round of concessions on teachers.

In particular, a prerequisite for hiring outside for-profit education firms is the elimination of any job security for teachers. In the Chicago Public Schools under the leadership of then schools CEO Arne Duncan (now President Obama's education secretary), the hiring of private companies to run schools has meant the elimination of seniority rights and the "at will" firing of teachers—an everyday occurrence at charter schools. Chicago is seen by the Obama administration as a model for Detroit and other cities.

Of the four education companies chosen by Bobb to run the 17 schools, three—EdWorks, Model Secondary Schools Program, and Institute for Student Achievement—purport to specialize in the education of children in the urban setting. The fourth company, Edison Learning, is a more familiar company that has, for two decades, specialized in the take-over of urban public schools systems, and their

replacement with “public” charter schools.

Bobb’s comments following his meeting with the bankruptcy judge are an indication that he is not about to let anything stand in his way. “At the end of the day, our number 1 goal is to provide as many dollars as we can into the classroom so that great teaching and learning can take place...And we’ll get there by any means necessary,” he said.

Bobb’s claim to be concerned about “great teaching and learning” is simply a lie. Since his appointment by Michigan Governor Jennifer Granholm in March, he has assumed dictatorial power over the school district, closing 29 schools and laying off 2,500 employees. Students are being forced to travel to unfamiliar neighborhoods, under circumstances in which mass unemployment and the deterioration of social and economic life have created unsafe conditions, as the recent shootings of seven youths on Detroit’s west side attest.

Bobb’s proposals for the privatization of vital school services, the elimination of the vast majority of guidance counselors, as well as further cuts in teaching staff and curriculum are hardly in the interests of Detroit students. Yet, he claims that the school district remains \$259.5 million in debt. On Thursday it was reported that Detroit’s Children’s Museum, partially funded by the DPS, and one of the oldest institutions of its kind in the country, would be closed because of the budget crisis.

His latest move to hire private companies to run the schools is reckless, coming with the start of the new school year less than two months away. How many buildings, from the standpoint of both the physical plant as well as staffing, will be ready for students in September? Or is the aim to create as much chaos as possible, and under these intolerable conditions close schools and vastly reduce both enrollment and employment?

When Bobb states that his goal is to “provide as many dollars as we can,” he is speaking for the Obama administration and the ruling elite it represents who are indifferent to the needs of the vast majority of workers and youth in cities like Detroit. While trillions of dollars in bailout money can be given to the banks and failed financial institutions such as AIG with no questions asked, when it comes to the public schools and the education of inner city and working class youth the cupboard is bare.

Even if Bobb decides against the bankruptcy option, he is using it as bludgeon to force teachers and support staff to accept not only the massive job cutting already underway, but a fundamental rollback of wages and benefits. Collaborating with Bobb in this endeavor is the leadership of the Detroit Federation of Teachers, whose president, Keith Johnson, combines deception with groveling in an effort to disarm teachers against the attacks spearheaded by Bobb.

On July 8, several hundred laid off teachers assembled for an informational meeting at DFT headquarters to hear Johnson admit that he did not believe that all of the 1,100 teacher layoffs that have occurred since April would be “absorbed by attrition”—that is, that the laid off teachers would be rehired. Alluding to the bankruptcy threat, Johnson spoke apologetically for Bobb, commenting that he is a businessman, and “has to look at the worst case scenario.”

What other scenario is there? Bobb has never wavered from his agenda; whether it has involved the arbitrary firing of school administrators or the closing of neighborhood schools, despite the protests of parents and students. On July 9, following the reported meeting between Bobb and the bankruptcy judge, Johnson remarked that he was for a contract that is “fair and equitable for both sides.”

For Johnson to imply that Bobb is amenable to some form of equitable negotiated settlement is a transparent attempt to deceive teachers by soft-pedaling Bobb’s right-wing agenda. With regard to

bankruptcy being a “worst case scenario,” this too is false from the standpoint of Bobb and the corporate elite he represents. Just as in the automotive industry, far from its being the last resort, it may be the preferred option. In auto, it was the option with the Obama administration’s stamp of approval.

At the DFT meeting, Johnson reported that the union is “fighting” against the layoffs by taking the district to court in order to have the nearly 400 layoff notices that went out in June rescinded. The union is claiming that Bobb violated the present contract, citing a 1981 arbitration decision that teachers had to be notified within 60 days of the last day of instruction. Of course, even if a judge ruled in the union’s favor, any declaration of bankruptcy would render such a decision moot.

To oppose the attack on education, teachers, students and workers in Detroit need a new organizational and political strategy. There can be no resolution to the crisis facing education in Detroit that does not challenge the entire framework of the discussion, which is based on forcing workers to pay for the economic crisis.

The WSWs encourages all teachers and workers in the Detroit area to attend a special conference on July 25, organized by the Socialist Equality Party, to discuss a new socialist political perspective for the working class.