

City Council \$10 Billion Resolution Political Grandstanding



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On a 7-1 vote last week, the Detroit City Council unanimously passed a resolution asking for a \$10 Billion “bail out” from the federal government. The money would be used to create jobs through public works projects, a new transit system and place a moratorium on mortgage foreclosures.

The resolution is a weak gesture that does little to deal with the real issues of excessive crime, decaying neighborhoods, business loss and unintelligent public policy ideas from city hall.

That’s not to say that the Detroit economy couldn’t be helped by a \$10 billion windfall. The city struggles without a strategy to overcome a severe budget deficit in excess of \$100 million.

Detroit officials, though, are not alone in seeking federal assistance. Congress has

passed a \$700 billion Wall Street package, and a \$25 billion auto bailout bill is on the table. The Detroit school board wants a \$500 million federal check to resolve its huge deficit. Other distressed cities are lining up for federal assistance too. However, federal dollars alone won’t solve the problems on Wall Street or in the auto industry. In the City of Detroit even a blank check won’t cure all that ails our city.

Without courageous leadership and intrepid innovation, it is foolish to think that a massive government handout will restore vigor to a city whose wealth has been bleeding away for years. Some of the blame can be attributed to a chronic poor economy. The crisis also is the result of previous and current city elected officials failing to fix the roof when the sun was shining and the city touted balanced budgets and surpluses.

Progress isn’t likely to come through an apocalyptic windfall or by one giant Marshall Plan. More frequently, recovery is measured in increments that start with a brave, dynamic vision and a plan based on reality rather than rhetoric. Only a city administration willing to abandon its accustomed bad habits and admit that major reconstructive surgery is needed can craft that kind of ambitious plan.

A good case can be made that City Council has done very little to improve the affairs of the city. Its lack of good policies have made it economically undesirable for residents to stay in Detroit and unprofitable for businesses. Unattended are those things that make the city a place people prefer to live in rather than leave.

One of the most important functions of city government is to create an environment in which opportunities to attract badly needed investment to start new businesses and expand old ones is encouraged. There is nothing more important to Detroit’s revival than a renewed involvement by business in the life of the city. A strong focus on crime, improving poor services and stabilizing neighborhoods are the responsibility of the city not the federal government.

Tough economic times are not new to Detroit. The financial flexibility of the city is more limited today than it has been in the past and is likely to remain so for the foreseeable future. Navigating this deficit demands the kind of ingenuity and vision that has been historically missing among many elected officials.

The solution will be engaged by city leadership that carves out a rational path to prosperity from the inside out instead of relying on sources outside our control.

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