



## **Detroit Admits Problem; Now It's Time to Deal with It**

by Stephen T. Khalil

### **Summary**

Detroit's embarrassing inability to deal with a snowstorm last winter forced Mayor Archer to admit the city has a problem. The next crucial step is to decisively and fundamentally change the way the city does business with unions and private service providers.

*Main text word count: 696*

***Mayor Archer has blamed his troubles on the fact that he "inherited a dysfunctional city." But after six years at the helm, he can no longer avoid either the tough decisions that must be made or the responsibility for not making them.***

It is often said that the first step on the road to recovery is simply admitting that you have a problem. What is often forgotten is that the step that follows the admission is the one that inevitably makes a substantive difference—for better or for worse.

Such is the case with the city of Detroit and last winter's heavy snowfall. Unfortunately, it took the city five days, 24 inches of snow, and loads of international embarrassment to get serious about the problem in January. The city finally turned to the private sector and its suburban neighbors to dig it out of a real mess. Under pressure but to his credit, Mayor Archer then announced a reversal of the city's longstanding policy of not clearing residential streets.

Time will tell if indeed the mayor really means it, if a recalcitrant council will support it, and if city government will employ the most cost-efficient contracting methods to properly carry out the new policy. There's good reason for the public to take a "I'll believe it when I see it" stance.

Mayor Archer has blamed his troubles on the fact that he "inherited a dysfunctional city." That's largely true, but after six years at the helm and a wealth of information about how other cities have dealt successfully with similar problems, Mayor Archer can no longer avoid either the tough decisions that must be made or the responsibility for not making them.

The mayor's main problem is the city government itself, hidebound as it is with one of the most expensive and change-resistant bureaucracies in America. Unions have the city in a stranglehold that makes any type of reform very difficult, and the mayor's 1993 campaign promise to them that he would never privatize city services hasn't helped. In order to do what's right for the city, Mayor Archer must consider what other courageous Democratic mayors have done in places like Philadelphia and Chicago: Strip the unions of power to dictate policy by subjecting city services to competitive bidding.

In spite of his 1993 promise to the unions, the mayor has actually dabbled in privatization to a limited extent. His administration announced in late November 1998, for example, that it was considering the privatization of the city's lighting system. Private companies were asked to submit cost-cutting and efficiency ideas—including the buying or leasing of the city's system. But meanwhile, the city was de-privatizing the collection of parking ticket revenue—taking that service back in-house without so much as requiring the city's parking department to submit a competitive bid.

Mixed signals aren't the stuff of strong leadership, and certainly not what a city with Detroit's deep-seated afflictions desperately needs. What Detroit needs is for Mayor Archer to acknowledge that his city government has a problem and take his case to the people. If he boldly announced that a long list of city services would hereafter be put up for competitive bid—even if he allows city unions to bid alongside private firms—he would send a powerful signal that it's a new day in Detroit. A few would cry foul, but the great majority of citizens don't want their city to continue to decline, to spend more for less, and to forever lag behind other cities in one index of efficiency and service after another. They would rally to his side.

Philadelphia, Chicago, Phoenix, Indianapolis—you name it: they are showing us the way. Like them, Detroit could revitalize itself, improve services, and save enough money to afford meaningful tax cuts by modernizing through competition, privatization, and even outright asset sales. Potential candidates include water and sewer operations, parking garages, Cobo Hall, and City Airport, for starters.

If Mayor Archer is really interested in making a positive change in the lives of his constituents, he needs to turn to them and ask for their support for the very kind of bold actions that have turned around so many other cities. It's time to admit what the problem is, stand up to the unions and the bureaucracy, and start running a major city less like a third world country and more like a thriving, modern metropolis.

#####

**(Stephen T. Khalil is a Detroit businessman and free-lance writer and an adjunct scholar with the Mackinac Center for Public Policy, a Midland-based research and educational institute. More information on privatization is available at [www.mackinac.org](http://www.mackinac.org). Permission to reprint in whole or in part is hereby granted, provided the author and his affiliations are cited.)**

***Mayor Archer must consider what other courageous Democratic mayors have done in places like Philadelphia and Chicago: Strip the unions of power to dictate policy by subjecting city services to competitive bidding.***

#### **Attention Editors and Producers**

*Viewpoint* commentaries are provided for reprint in newspapers and other publications. Authors are available for print or broadcast interviews. Electronic text is available at [www.mackinac.org](http://www.mackinac.org) or on disk. Please contact:

Joseph G. Lehman  
Vice President of Communications  
140 West Main Street  
P.O. Box 568  
Midland, MI 48640

Phone: (517) 631-0900  
Fax: (517) 631-0964

[www.mackinac.org](http://www.mackinac.org)  
[Lehman@mackinac.org](mailto:Lehman@mackinac.org)