

Opinion: Corruption threatens the Detroit comeback story

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Former Detroit City Council member Gabe Leland, shown in 2016, was sentenced to 2.5 years of probation on June 7 after pleading guilty to misconduct charges for illegally accepting cash campaign contributions. (AP Photo/Paul Sancya File)

Name the nation's most corrupt cities, and some obvious choices spring to mind, led by Chicago, for sure, and places such as Los Angeles and Miami. That much is confirmed by a University of Illinois at Chicago [analysis](#) of the Justice Department's list of public

corruption [convictions](#) from 1976 to 2019.

But right now, Detroit is dealing with a two-track wave of corruption that touches public officials as well as the once-mighty United Auto Workers.

The Detroit News estimates that [more than 100](#) labor leaders, police officers, politicians and others have been caught up in investigations that simply keep mounting.

In late August, the FBI [raided](#) the homes and offices of two city council members. Another, [André Spivey](#), was indicted on bribery charges in July (he pleaded not guilty last month), while council member Gabe Leland pleaded guilty to misconduct in office [and resigned in May](#).

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The torrent of scandals may alarm Detroit boosters, who have poured in money to polish up the formerly battered downtown for years, cheering on the city as it emerged from the country's biggest [municipal bankruptcy](#) in 2013. Billionaire businessman Dan Gilbert alone "invested or allocated an estimated \$5.6 billion in about 100 Detroit properties through his Bedrock real estate firm," [NPR reported in 2018](#).

Urbanist Richard Florida, author of "[The Rise of the Creative Class](#)," says even wealthy cities such as New York and San Francisco are looking fragile amid the pandemic, "and it is especially fragile now in older industrial Midwest cities like Detroit."

The fresh allegations of politicians' crookedness might draw cynical

shrugs of “what else is new?,” given a long history of [corrupt Detroit officeholders](#), including former mayor [Kwame Kilpatrick](#).

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One of the nation’s most prominent young Black politicians, [Kilpatrick was convicted](#) in 2013 on 24 charges including mail fraud, racketeering and wire fraud. He got out of federal prison in January after his sentence was [commuted](#) by President Donald Trump.

Charges of labor-union corruption might also be greeted with a yawn, except that the United Auto Workers was for decades regarded as relatively clean under the helm of its strait-laced leader, [Walter Reuther](#).

This month, former UAW presidents Gary Jones and Dennis Williams reported to their [respective prisons](#) for sentences that involved embezzling millions of dollars in union funds. A sweeping federal investigation [found](#) they were among a group of union officials who spent workers’ money on luxury condos in Palm Springs, golf equipment and gourmet meals.

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“Reuther would have been appalled,” says Nelsen Lichtenstein, Reuther’s biographer and a history professor at the University of California at Santa Barbara. “He prided himself on his Boy Scout reputation.”

Given the carmakers’ bankruptcy filings in the past decade, [and the UAW’s shrunken size](#), from its peak of some 1.5 million members in 1979, to fewer than 400,000 in 2020, it might seem incredible that

there was any money *to* steal.

But [Matthew Schneider](#), the former U.S. district attorney who prosecuted both public and union corruption cases, says the UAW leadership found a honey pot: retraining money.

Beginning in the 1980s, the union negotiated funds so that laid-off workers could begin new lives in other professions. UAW and car company officials jointly administered programs, which led to friendly relationships that union traditionalists thought got too cozy.

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The retraining money wasn't carefully tracked, Schneider says, and it became a tempting source for anyone with itchy fingers.

Investigators also saw the union giving kickbacks to vendors, he said, such as one that made jackets for a union local, as well as evidence of dues money spent on non-union business.

His lightbulb moment came two years ago, when [48,000](#) General Motors workers walked out over demands for more job security and a faster hiring process for temporary workers. "The workers are on strike, barely getting by, and the leadership is living an incredibly extravagant lifestyle," Schneider says.

Now the UAW has lost its long-cherished independence. [In May](#), the U.S. District Court for the Eastern District of Michigan [appointed](#) a federal monitor to oversee the union until early 2027, as the investigation continues.

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Meanwhile, the federal investigation of political corruption in Detroit also continues, just when the city seemed poised to resume its comeback from bankruptcy, after stalling during the pandemic.

“The bankruptcy fixed the problems it could fix, but one of the problems it couldn’t fix [was] the greedy, evil nature of some human beings,” Schneider says. “It doesn’t matter what shape the city is in.”

This week, Detroit Mayor Mike Duggan [presided](#) at the groundbreaking for the city’s first all-new residential high-rise built since the 1990s, combining condos and apartments.

If Detroit wants similar investments to follow, says Florida, leaders in the city and region must “double down to beat back any semblance of corruption.”

Agreed. The city has come too far since 2013 to let all that progress slip away.