The movie opens with a news report advertising the way of life in this future, which seems to be far from ideal. Among other stories, three police officers have been murdered and a fourth, Frank Frederickson, has been left critically injured in an attack by unofficial Old Detroit crime boss Clarence Boddicker (Kurtwood Smith), wanted for the deaths of over 30 police officers. The Detroit Metropolitan Police Department's union representatives blame Omni Consumer Products (OCP), who have recently entered a contract with the city to run and manage the DPD, for putting their men in such dangerous environments.

At the Metro West Precinct in Old Detroit, officers respond to a variety of cases when veteran officer Alex Murphy (Peter Weller) arrives, having been transferred in from Metro South. Desk Sergeant Warren Reed gets Murphy a set of riot armor and introduces Murphy to the other cops, who are not happy about how OCP seems to be trying to run the police force into the ground. As Murphy and the other cops are suiting up in the locker rooms, one of them suggests that they go on strike to pressure OCP into giving them better working conditions. At that point, Reed and another officer come in, carrying an evidence tray. Reed removes Frederickson's nameplate from his locker, announcing that Frederickson has died, much to the disappointment of the other cops in the locker room. Reed tells them that a memorial service will be held the next day and admonishes them harshly about striking.