

Lessons of the Chicago factory occupation

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Late on Wednesday, some 250 workers from Republic Windows and Doors ended a five-day occupation of their Chicago, Illinois factory after winning an agreement meeting their major demands.

The action taken by the Republic workers was an immense step forward, the first independent action of a section of the working class in the US in response to the unfolding economic crisis. The workers acted with courage and determination, insisting that they would not leave the factory until they received the benefits to which they were legally entitled.

The struggle of these workers quickly became a symbol across the country—and indeed around the world—of deepening anger and resistance to mass layoffs and a government policy that has handed out trillions of dollars to banks and financial institutions while ordinary workers continue to lose their jobs by the hundreds of thousands. Their action evoked broad support from all across the country.

The workers marched out of the factory Wednesday night declaring victory in their struggle. Each worker will receive about \$6,000—including eight week's severance pay, accrued vacation time and two months health care coverage.

While from the standpoint of the workers' immediate demands it was a victory, it was a bittersweet one. The workers at Republic will still lose their jobs under conditions where no decent jobs are to be found. In two months they will have no health care. The American and world economy is entering the worst economic slump since the Great Depression, and the workers at Republic will join millions across the country who will face this crisis with no job security and no safety net.

The limited character of the struggle—the fact that it did not openly oppose the shutdown of the factory itself—is the responsibility of the United Electrical Workers (UE) leadership, not the workers themselves. The union bureaucracy never contested the plant closure, and from the very beginning it sought to channel the workers' resistance behind the Democratic Party.

To meet the costs of the settlement, Bank of America, Republic's major lender, agreed to contribute \$1.35 million, while JP Morgan Chase, which owns 40 percent of the company, contributed an additional \$400,000.

Bank of America and JP Morgan, two of the largest banks in the US, both received \$25 billion from the \$700 billion bank bailout passed in October. For Bank of America, this is about 20,000 times the amount the bank has agreed to set aside for the Republic workers—a sum that is merely a fraction of the annual compensation of the top executives.

The banks have used the cash from the bailout, pushed as a necessary measure to “save jobs,” to fill the holes in their balance

sheets and carry out acquisitions, not to increase lending. Indeed, they have announced thousands of layoffs of their own employees since receiving the government handouts of taxpayer money. As the Republic workers put it: “They got bailed out. We got sold out.”

The occupation at Republic surprised and frightened the American corporate and political elite, which is well aware of rising popular anger over the naked class character of their multi-trillion-dollar bailout of Wall Street. In occupying their factory, moreover, the workers were making an implicit challenge to the basis of capitalist rule—the private ownership of the means of production. The ruling class has become accustomed to forcing through its demands without serious challenge. The very fact that workers have to occupy a factory in order to win benefits to which they are legally entitled is an indication of the state of class relations in the United States.

The initiative of a few hundred workers at a relatively small factory in Chicago threatened to spark something much larger. The quick settlement—coming after the workers received the verbal support of several Democratic Party politicians, including President-elect Barack Obama—reflected an attempt to get ahead of any broader struggle, to contain it before it got out of hand.

The resolve of the workers at Republic stands in stark contrast to the bankruptcy of the United Auto Workers union, which has agreed to a new round of massive concessions at the Big Three auto companies without even the pretense of resistance.

In their action, the Republic workers have demonstrated that the absence of more open forms of working class resistance is not due to a lack of determination among the workers. For nearly three decades the unions have ruthlessly suppressed any independent struggle of the working class. When such struggles have broken out, the union leadership has systematically isolated and betrayed them.

The struggle at Republic is an initial sign of an upsurge in the class struggle around the world, a struggle that arises inexorably from the contradictions and crisis of the capitalist system itself. It has tapped into militant traditions of the American working class that go back decades, including the great sit-down strikes of the 1930s.

The basic question facing millions—in the US and around the world—is that of political perspective. The demands of workers in response to the economic crisis cannot be limited to a fight for severance pay that leaves workers headed for the unemployment lines. They must directly challenge and oppose plant closures, layoffs, wage cuts and all attempts to place the burden of the crisis on the backs of the working class, and must extend their fight to encompass a global struggle for jobs and decent living conditions for all.

Such a struggle raises immediately the question of who controls the productive forces and upon what principles they
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are organized. The challenge that the Republic occupation raised implicitly—the challenge to capitalist private property—must be taken up consciously on the basis of a new political perspective.

Republic workers were laid off, in the end, because the exploitation of their labor was no longer profitable, it no longer served the interests of the tiny layer of the population that controls the vast majority of the world's wealth. Even as millions of people face conditions of ever greater hardship, the forces of production needed to provide for the needs of society are being cut back or shut down. The basic productive forces and the giant financial institutions can no longer remain in the hands of private individuals, controlled for private profit.

They must be nationalized and transformed into public entities, under the democratic control of the working people. This requires a break with both big business parties and the establishment of the political independence of the working class to fight for a workers' government.

The Republic workers' struggle, if only in an initial and limited way, has demonstrated the social power of the working class and vindicated the conception that the objective crisis will propel the working class into struggle and create the conditions for the development of socialist consciousness. The critical question is the building of the Socialist Equality Party as the new leadership of the working class.

Joe Kishore

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