Behind the Northwest Airlines dispute

Soaring profits, stagnant pay fuel workers' anger in US airline industry

Shannon Jones 7 May 1998

The ongoing work-to-rule by Northwest Airlines machinists in the United States is a sign of the anger and frustration felt by workers throughout the airline industry over soaring corporate profits obtained through speed-up and cost-cutting.

Since mid-April flight cancellations have been running well above average. The delays are being attributed to Northwest mechanics and ground crew workers, principally in Detroit and Minneapolis, who are adhering to the letter of safety procedures in inspecting and servicing airplanes. Under federal rules mechanics have the authority to prevent unsafe planes from flying.

The company has retaliated by disciplining workers, often for trivial infractions. Last week two workers were fired and six more suspended in Minneapolis.

40,000 Northwest employees are covered by contracts with the Air Line Pilots Association, the International Association of Machinists, the Teamsters (the bargaining agent for the flight attendants) and three small professional unions. The unions have been negotiating for more than 18 months on terms of a new agreement. Negotiations between the IAM and Northwest were suspended in early April.

Monday May 6 both sides agreed to resume the talks. The pilots are also set to resume negotiations. Results of a mail strike vote by Northwest pilots will be released some time after May 15.

Worker frustration at continued management attacks and disillusionment with the unions has led to unofficial job actions. Last November hundreds of Northwest baggage handlers at Detroit Metro Airport staged a rally on the airport tarmac to protest new, restrictive vacation rules. The rally was broken up by officials from the International Association of Machinists, who issued a statement denouncing the action.

The federal Railway Labor Act, which covers US air transport workers, places severe restrictions on the right to strike. Before the unions can call a legal strike a federal arbitrator must first rule that negotiations are at an impasse. The government can then impose an additional 30-day waiting period.

The current Northwest dispute poses many important questions for workers. It grows out of 15 years of restructuring in the US airline industry carried out at the expense of the jobs, working conditions and living standards of employees. During this period numerous airlines have gone bankrupt and closed. Management has extracted huge concessions through threats and open union-busting such as at Continental Airlines in 1983 and Eastern Airlines in 1989.

In each case, workers were assured that their sacrifice was only temporary and that they would recoup their losses when economic conditions improved. At Northwest, with the company facing a financial crisis and threatening bankruptcy and closure, employees gave up substantial concessions in 1993, including a 15 percent pay cut.

The airline unions have sabotaged workers' resistance to these attacks and collaborated in imposing concessions. At the same time the unions and management have cemented a close partnership, with the union bureaucracy being integrated into the corporate structure. As part of the pay-cutting deal at Northwest, for example, ALPA, the IAM and Teamsters each got one seat on the company's board of directors. At United Airlines the unions earned board

seats for negotiating a \$5 billion concessions package.

The concessions surrendered by airline workers have laid the basis for the present profit boom in the industry. Northwest posted a profit of \$596.5 million in 1997, up 11 percent from the \$536.1 million the company earned in 1996. Executives have been richly rewarded. The top five Northwest executives pocketed \$14.6 million in 1997. President John Dasburg alone made \$6.9 million from salary and stock options.

Far from workers sharing in the prosperity, they are being hit with new concessions demands. The air carriers, with the assistance of the union bureaucracy, are fighting to underbid each other through the creation of new, low-cost subsidiaries, with pay and benefit levels far below prevailing standards.

Northwest workers have faced continuing pressure from management for greater productivity. The company has refused to hire full-time workers and is relying more and more on part-time and contract labor. Pilots are being asked to agree to a three-tier scale to replace the existing two-tier system. The proposed C scale would be even lower than the B scale established for pilots with less than five years seniority in the last round of cuts.

Northwest workers interviewed by the *World Socialist Web Site* have indicated strong support for the work-to-rule action and expressed disgust with the spectacle of corporate executives enriching themselves while demanding ever greater sacrifices by workers.

These experiences shatter the myth promoted by union officials of a shared interest between workers and corporate bosses. Instead, what is revealed is the fundamental antagonism between the working class and the class of capitalist owners of industry.

What has happened at Northwest is only one example of a general tendency, the widening of social inequality in America and throughout the world. The contrast between a handful of corporate executives earning millions and deteriorating living standards for the majority is a characteristic feature of present-day society. What workers at Northwest face, millions and tens of millions face.

Far from opposing the growth of inequality, the policy of the trade union bureaucracy has helped foster the very conditions against which Northwest workers are now fighting. No one should doubt that the ALPA and IAM are looking for a deal with Northwest that will protect the interests of the union officials, but in no way meet the needs of workers.

The struggle against inequality strikes at the very basis of the profit system. The question is posed: in whose interest will society be organized? In the interest of the corporate elite or the interest of the masses of working people?

For this reason the fight against social inequality requires the building of an independent political party of the working class that will challenge capitalism. Such a party must fight to establish a workers government that would reorganize society on the basis of the principle: human needs before profit. It would champion the right of all workers to decent paying and secure jobs, adequate pensions, quality education and health care.

The state of the airline industry demonstrates the incapacity of the present system of private ownership to meet the needs of either employees or travelers. The Socialist Equality Party proposes that the airlines be transformed into public utilities, under the democratic control of the working class. Such a measure would lay the basis for providing decent paying and secure jobs for airline workers as well as safe and affordable travel.



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