

Defying the political establishment and trade union leaders

# New York City transit workers reject contract

**Peter Daniels**  
**23 January 2006**

*This article is also available as a PDF download.*

The announcement on Friday that rank-and-file New York City transit workers had rejected the contract settlement that followed last month's two-and-a-half day strike highlights the crucial political issues posed by the walkout. The first New York transit strike in 25 years was not some fluke or misunderstanding. It was in fact part of a broader struggle of the American working class, and a harbinger of coming battles over jobs, living standards and social conditions.

Although the margin of rejection was only 7 votes out of 22,461 cast, the opposition took the business and political establishment by surprise. The workers defied the enormous pressure of the ruling elite, the media and every section of the trade union bureaucracy. The forces that demonized the 34,000 bus and subway workers as "thugs" and "rats" came together with the unions and the alleged friends of labor in the Democratic Party to demand rank-and-file approval of the settlement and to warn the workers that they were lucky to have their jobs.

The transit workers were not intimidated. They didn't see why their determined struggle should end with meager wage increases and concessions on health care and other issues, along with the loss of nearly \$2,000 apiece in Taylor Law fines for striking. At union meetings held before the voting in Brooklyn, the Bronx and Queens, Transit Workers Union (TWU) Local 100 President Roger Toussaint faced explosive opposition and in at least one case was reported to have been virtually driven out by the anger of the rank and file. The local president, elected as a "militant" a few years ago, accused opponents of the contract of spreading "downright lies," but he couldn't convince a majority to vote for concessions.

Transit workers on the picket lines for nearly three days drew certain conclusions from their experience. They sensed the broad sympathy for their struggle from working people facing the same issues of eroding wages and attacks on pensions and health care. They knew that their jobs could not be outsourced and that the economy of the wealthiest city in the world depended on them. They were angered by the slanders in the city's gutter press and the hypocritical denunciations of "greedy" workers by billionaires like Mayor Michael Bloomberg and Metropolitan Transit Authority (MTA) Chairman Peter Kalikow. They were, to say the least, suspicious when they were sent back to work without a settlement, and then told a day or two later to accept a series of concessions as the best that could be achieved.

The most serious of the givebacks was the 1.5 percent employee

contribution toward health care premiums in the first year of the new contract, with an added proviso indexing this contribution to future increases in health care costs for the second and third years. Since the cost of health care continues to rise at a rate faster than overall inflation, this would mean continued and deeper attacks on wages. In exchange for withdrawing their attack on pensions for the time being, the MTA bosses won a concession that was just as important, and one, moreover, that would add up to \$100 million in savings over the life of the contract, compared to \$20 million that would have been secured by increasing from 55 to 62 the age at which newly hired workers could retire at half-pay.

The contract settlement also left the workers with an average wage increase of only 3.5 percent, less than the official rate of inflation. It included language that could be interpreted to allow the transit authority to move ahead with "broadbanding" that would combine job classifications and could eliminate thousands of jobs. And New York Governor George Pataki added another element of provocation when he suggested he might veto a side agreement to the contract that provided for the refund of pension contributions to which many workers are entitled because of overpayments they made between 1994 and 2001.

The New York City bus and subway workers speak for many millions of American workers, union and nonunion, who are increasingly feeling the effects of stagnating wages, the loss of job security, and relentless attacks on health care, pensions and other benefits. Millions take note of the fact that while two or three incomes are needed to support their families, the income of the super-rich has skyrocketed.

The issue of health care concessions is national and international in scope, as every section of the economy and every capitalist class demand unending "reforms" whose aim is the dismantling of what remains of the welfare state and every social gain won over many decades of struggle. The source of these attacks is the crisis of the profit system itself.

General Motors and Ford have recently negotiated health care cuts for auto workers and retirees. IBM, though still quite profitable, is replacing its defined pension benefit system with 401(k) plans that shift the risk and responsibility for retirement income entirely onto its workforce. New York's transit authority owes the bondholders more than \$22 billion, and New York State and City agencies and quasi-public authorities have their own debts mounting up to several hundred billion dollars.

Sections of the ruling elite have convinced themselves, amidst

the discrediting and virtual collapse of the sclerotic trade union organizations, that the working class itself could be dismissed. For them, the brief but powerful transit strike was a rude awakening. It was an initial expression of what is sure to develop as the emergence of a new stage of working-class struggle.

The reaction of the big-business media to the rejection of the transit contract was a predictable mixture of uneasiness and blind hatred.

Rupert Murdoch's *New York Post* led the way, as usual, in seeking to whip up hysteria against the workers. Blaming Toussaint for not being able to control the rank and file, the *Post* editors call for "state officials...to put an end to this circus now"—presumably by insisting on binding arbitration and imposing a concessions contract if possible even worse than the one just rejected by the union membership.

*Post* columnist John Podhoretz went further. "If New York's transit workers dare to strike again," he warned, "they should be arrested by the thousands and fired en masse." As far as Podhoretz is concerned, the concessions contract just rejected was "a lousy one"—because it didn't go nearly far enough in robbing the workers of pensions, health care and other benefits. These are not simply the rantings of a right-wing demagogue. Podhoretz articulates the views of a significant and growing section of the media and political establishment. His views reflect the reality of the growing crisis and the need for unrestrained class war against the working class—of the growing need, if the profit system is to survive, to smash every vestige of the gains of earlier struggles.

The editors of the liberal *New York Times* were more diplomatic in their language bemoaning the transit workers' vote, but only because they fear that an ongoing struggle threatens to radicalize other sections of the working class. Admitting that "New Yorkers heard [the transit workers' concerns], and many empathized," the *Times* editors added immediately, "But enough is enough. It is incumbent on all sides to get this contract settled."

While the contract rejection constitutes an embarrassing blow to the ruling elite and its trade union partners, by itself it resolves nothing. It underscores the issues that were posed as soon as the workers took strike action last December 20. Without a political strategy and the mobilization of the working class against the profit system, neither the transit workers nor any other separate section of labor can win even the slightest improvement. The "no" vote must become the springboard of a new political struggle. In the absence of such a struggle, the dispute will either go to arbitration or be settled in a new deal behind closed doors that only rearranges the givebacks.

The members of TWU Local 100 were sent back and handed a concessions contract last month, not because they lacked support, but because their fight was conducted on the level of pure-and-simple trade unionism. City union leaders refused even to publicly state that they supported the strike and refused to mobilize other workers in support.

The essence of a political strategy is the recognition of the difference between friends and enemies. Every section of working people—the employed and unemployed, retired workers, youth, sections of small business—shares a common bond with the transit workers, and these layers constitute the vast majority of the

population. Arrayed against the transit workers stand all the official spokesmen of the status quo—the media, the politicians, and the trade union officials.

The transit workers' experience has demonstrated yet again the impossibility of reviving the unions as instruments of working class struggle. The bankruptcy of these outlived organizations stems not simply from the motives of individual bureaucrats, but from the fact that they rest on and base themselves on the system of capitalist production. Since capitalism has now declared that we face a "new world"—a world of permanent job insecurity and a worldwide race to the bottom as far as wages and conditions are concerned—the unions obediently proceed to discipline their shrinking membership.

Because Toussaint subordinates himself completely to the system of big business, he can only follow the same path as those whom he denounced when he ran as an opposition candidate for the local union presidency. Today's "dissidents," denouncing Toussaint and the contract while remaining silent on the burning political issues, are equally bankrupt.

What is urgently needed is an independent struggle, in opposition to the union bureaucracy and its alliance with the Democrats, which remains the means by which workers are tied to the profit system.

The *World Socialist Web Site* and the Socialist Equality Party have backed the transit workers unconditionally in their fight to protect their jobs and conditions. We have fought to win support for the transit workers' struggle by showing that their fight is the fight of every section of the working class. We have insisted that answering the attacks of big business and its politicians requires an alternative to the profit system that is dictating this assault.

Out of the new wave of class struggle in this country and internationally must emerge the fight for a new leadership, building a socialist movement to fight for social equality through the reorganization of economic life on a democratic basis. We urge transit workers and all those who recognize the importance of their struggle to join the SEP to build this leadership.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**