

As takeaway contract is imposed on workers

New York City's new transit boss gets \$40,000 raise

Bill Van Auken
9 January 2007

The newly appointed chief of New York's Metropolitan Transit Authority last week was awarded a raise of \$42,000, a pay boost that is approximately equivalent to the annual salary of many of the city's transit workers.

Elliot Sander, the new executive director and chief executive of the authority, will receive a total compensation package of \$340,000 a year, including a salary of \$265,000, a housing allowance of \$60,000 and \$15,000 in deferred compensation.

Sander's predecessor in the top post at the MTA, Katherine Lapp, was paid a total of \$298,000 a year. A spokesperson for recently inaugurated Democratic Governor Elliot Spitzer justified the 14 percent raise by pointing to Sander's being given the newly minted title of "chief executive" in addition to that of executive director.

The pay boost for the new MTA boss was announced just weeks after a state arbitration board imposed a takeaway contract on New York City's 34,000 bus and subway workers.

The city's print media, from the *New York Times* to Rupert Murdoch's *New York Post*, took only brief note of the pay raise, both taking pains to point out that Sander's pay was still lower than that of transit chiefs in Los Angeles and Washington, D.C.

The *Post* further offered by way of justification: "And the city's transportation system is no doubt the largest and most complex in the nation, if not the world."

This sympathetic response to a public official receiving a salary hike that is approximately double the per capita income for New York City stands in glaring contrast to the attitude taken toward the city's 34,000 transit workers when they dared to strike a little more than a year ago to fight against proposed cuts in their real wages along with sweeping attacks on working conditions and benefits.

"Most riders would *kill* for the wages, benefits and

retirement plan *already* enjoyed by TWU members," the *Post* editorialized on the eve of the strike. The paper didn't bother to speculate on what they would have done for a salary like Sander's.

Once the strike began, the tabloids and the rest of the media launched a frenzied attack, denouncing the strikers as "greedy," "thugs" and "rats," even comparing their walkout to the terrorist attacks of September 11. There were demands for strikers to be fired and jailed and, in the case of the *Daily News*, calls for the union's president, Roger Toussaint, to be thrown either off of a train or over the side of the Brooklyn Bridge.

The workers defied this fascistic propaganda together with the threats to jail, fire and fine them and shut down the nation's largest mass transit system, together with much of the city that is the center of world finance capital, for nearly three days.

The strike demonstrated the immense social power of this section of workers and the working class as a whole. In the end, they were forced back to work without a contract thanks to the bureaucracy of the trade unions, both in the city and nationally, which left them isolated with no support, and the Democratic Party politicians—including the new Governor Spitzer, who as New York's attorney general instituted strike-breaking charges against them under the state's Taylor Law, and Senator Hillary Clinton, who declared herself "neutral" in the strike, but in support of this reactionary law.

The leader of the transit workers union, Transport Workers Union Local 100 President Roger Toussaint, who had cultivated illusions in these same bureaucrats and politicians, was unprepared for their opposition to the strike, and capitulated to the state and media attacks.

Last month, almost one year after the walkout, the state's arbitration board imposed a contract on the transit

workers that was virtually identical to the one that was originally negotiated between the two sides and rejected by the rank and file in January 2006.

The terms of this arbitration award are a far cry from the employment contract bestowed upon the MTA's new-hire, Executive Director Sander. It includes raises that barely keep up with the rate of inflation—3, 3.5, and 4 percent per year over 37 months—and a giveback that, for the first time ever, requires transit workers to contribute 1.5 percent of their wages to cover the costs of retiree health benefits and medical expenses.

There is some suspicion that a portion of these funds will actually be used to offset the salary increase. In any case, the contribution is tied to the rate of increase in the cost of medical care and can rise significantly higher, effectively wiping out much of the meager salary increase.

The media, for the most part, has gloated over the terms of this imposed contract, using it to make the argument that the strike was an exercise in futility and mocking the transit workers for having dared to defy New York's immensely wealthy ruling establishment.

The contrast between the media's treatment of train operators, conductors, maintainers, track workers, cleaners and others who keep the trains and buses that carry some 7 million passengers running, while struggling to meet the skyrocketing cost of living in New York City, and that accorded to the chief executive who will receive seven times their average salary is a revealing illustration of the immense social chasm dividing the masses of the city's working people from the financial oligarchy and its well-paid executives.

For the likes of Murdoch, the \$40,000 raise accorded Sander is chicken feed. The owner of the *Post* and Fox News makes that much money in an hour. And, in the context of the tens of billions of dollars in bonuses that Wall Street handed out to its investment bankers, securities traders and other financial parasites, his comparatively modest raise is barely worth mentioning.

But when transit workers, making on average about \$50,000 a year, have the temerity to fight back against the attempt to reduce their real wages and benefits and erode their working conditions, they are vilified as "greedy thugs" and threatened with jail and ruin.

The brutal class logic could not be clearer. Sander is entitled to his raise because he is overseeing the interests of Wall Street and the wealthy MTA bondholders who stand to profit from whatever concessions and productivity increases he is able to extract from the bus

and subway workers.

The workers themselves, however, are thugs and terrorists for resisting cuts in their own pay and benefits, because such resistance threatens the essential source of the vast profits that have been reaped by the financial oligarchy over the past quarter century in the US. That is the uninterrupted transfer of social wealth from working people, the vast majority, to the top 1 percent in the form of reduced real wages, gutted pensions and the decimation of funding for basic social services, healthcare, education and housing.

By walking out in December 2005, New York's transit workers were implicitly challenging this entire profit drive of the financial elite. Their union and its leadership, however, were proven woefully unprepared and inadequate for such a struggle. They capitulated, not because the workers lacked either the strength or determination to win—there was no way for the MTA to resume bus and subway service without them—but because they are part of the alliance between the trade union bureaucracy and the Democratic Party, both of which defend the profit system and were implacably hostile to the strike.

The setback suffered by transit workers and the naked social inequality summed up in the disparate treatment meted out to them versus their new boss underscore the urgent necessity for the emergence of a new socialist movement capable of uniting the working class on the basis of a program that upholds the interests and needs of working people against the drive for profit by the corporations and the financial oligarchy.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact