

Reject the concessions contract at Caterpillar!

Socialist Equality Party
30 May 2012

The Socialist Equality Party calls on striking workers in Joliet to reject the sellout agreement reached between Caterpillar and the International Association of Machinists. After one month on the picket lines, the deal reached by IAM over the weekend accepts all of the major demands that Caterpillar originally proposed—concessions that workers voted resoundingly to oppose when they began the strike.

If the agreement is accepted, workers will receive no wage increases or cost of living adjustments over the 6-year contract. With inflation factored in, this amounts to a 15 percent wage cut, if not more. Gas, food, utility, education, and health care costs are all rising, placing enormous strain on working-class families.

The agreement will double the employee's portion of health care costs, including steep fees like a \$100 co-pay for emergency visits. As falling real wages stretch budgets, workers will be forced to choose between paying for needed care and paying other urgent bills.

Caterpillar would be free to reassign workers to different departments within the plant on a nearly permanent basis, and would gain increased flexibility to change shifts and working hours. More restraints on discipline would be removed in a plant where workers already report regular intimidation to force them to work weekends and overtime.

By putting to a vote a “revised” contract that is effectively the same as the offer that provoked the strike, the IAM is signaling its surrender. CAT is able to “negotiate” without actually offering a single improvement because it has not faced a real challenge. Strikers have maintained a 24/7 picket since the strike began, but the IAM allowed CAT to make Joliet workers train their own replacements prior to the strike, causing production, however limited, to continue.

More crucially, the striking machinists have been left on their own, separate from the rest of the Caterpillar workforce, even though all workers have faced

concessions for two decades. The Joliet plant produces components essential for production at dozens of other facilities in Illinois and across the country. All of these UAW-represented plants continued production over the last month.

Both the UAW and the IAM have pushed through concessions-filled contracts, under the claim that “jobs were saved,” or that the agreements were the best that could be obtained. In 2010, the IAM agreed to a contract at Harley-Davidson with a seven-year wage freeze, sharp increases in workers’ contributions to their health care coverage, and a second-tier workforce earning half the normal wage—all provisions remarkably similar to Caterpillar’s proposal in Joliet.

A rejection of this sellout to a company raking in profits must be the beginning of a counteroffensive by workers against these outrageous demands. This requires that workers take control of the strike out of the hands of IAM. A rank-and-file committee, independent of the IAM, must be organized. An immediate appeal must be made to Caterpillar workers throughout the United States and internationally to defend rights to decent living standards and jobs for every single worker.

Such a struggle is not just a fight just against one employer, but against every major corporation—General Motors, HP, and countless others—that are wiping out jobs, cutting wages, and demanding reductions in benefits and working conditions. State and local governments are pursuing the same policy that the corporations are carrying out on an international scale.

What workers are confronting is the failure of the capitalist system, where a handful of financial overlords and corporate executives enrich themselves through a relentless destruction of living standards.

The struggle of the working class is fundamentally a political struggle. Since the financial crash of 2008 the corporate and financial elite have deliberately used

mass unemployment as a hammer to drive down wages and living standards, and to further enrich investors on Wall Street who received trillions in bank bailouts. Insofar as the Obama administration has any jobs program, it is to convince the employers like CAT to relocate manufacturing to the United States from other countries through savage and permanent reduction of wages and living standards of American workers.

This strategy, called “insourcing,” has the full backing from the IAM, UAW and other unions, which more and more are taking on the role of a contractor supplying cheap labor and policing the workers to suppress any resistance to corporate management.

The efforts of Caterpillar and other transnational corporations to reduce wages and working conditions are aided and abetted by the unions, who pit American workers against brothers and sisters internationally. American workers must fight for the greatest unity of the working class throughout the world. Workers in every country face the same corporate and class enemies.

There is a way forward for the working class. It begins by rejecting the claims of the corporations, banks, Democrats and Republicans, that there is no money for decent wages, jobs, and social services. Trillions were squandered on the bailout of banks and wars backed by both parties. The struggle to defend the social rights of the working class requires the development of a political movement in opposition to both big business parties.

The aim must be the establishment of a workers government, the nationalization of the banks and major corporations, and the reorganization of the economy to serve human needs, not private profit—that is, to replace capitalism with socialism.

We encourage workers to reject this contract, and instead begin mobilizing a counteroffensive, appealing to workers throughout the country, and around the world. In the upcoming presidential elections, the Socialist Equality Party is running Jerry White for president and Phyllis Scherrer for vice president. The aim of this campaign is not to work within the existing political system, which does not and cannot represent the vast majority of the population. Our aim is to spearhead a new, independent political movement of the working class, and to build a leadership to guide the struggles that are emerging.

We urge all workers who are looking for a way to fight the relentless attack to study our program, support our election campaign, and make the decision to join the Socialist Equality Party.

For more information and to become involved, visit socialequality.com.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact