Striking Caterpillar workers in Illinois speak on their struggle

A WSWS reporting team
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Nearly 800 Caterpillar workers struck early last week in Joliet, Illinois after rejecting wage and health care takeaways by the giant earthmoving equipment manufacturer. Workers who are maintaining around-the-clock picket lines at the factory, 45 miles southwest of Chicago, voted down the contract just days after Caterpillar posted record-breaking first-quarter profits.

In addition to a wage freeze and no cost-of-living increases, the company's six-year contract includes raising out-of-pocket health care premiums by two-and-a-half times and a pension freeze. In addition, those eligible for retirement will have to leave in a year or lose their benefits; management will be able to move workers anywhere and for any reason within the plant; and the company would have more powers to arbitrarily discipline workers. Caterpillar also wants to increase the percentage of lower-paid "supplemental" workers, including temporary workers.

Travis, a worker with 16 years at the plant, estimated the concessions would be equivalent to a $3-4 per hour pay cut, not including the increased healthcare premiums. He also noted that many workers have labored for 10 years to get up to their present pay level, and now their gains are being taken away. Meanwhile, he pointed out, younger workers were getting nothing since Caterpillar implemented its "market-based" compensation scheme.

These measures are aimed at driving out higher-paid workers and replacing them with low-paid workers who are virtually on call. Travis noted that though he has been at Caterpillar for 16 years, "I still can't hold days on the schedule."

Another worker described the oppressive conditions in the plant, which he said in the summer can be as hot as 105 degrees, and full of dust and grit.

Last summer, the United Auto Workers, which represents the majority of Caterpillar workers, including nearly 20,000 at Illinois plants in its hometown of Peoria, Decatur and Aurora, agreed to a concessions contract similar to the one the company wants workers to accept at the Joliet plant.

Travis said he anticipated the attack on workers at the plant ever since the UAW agreed to that contract. "I've had the UAW contract in my file drawer since last spring. I figured they'd bring us the same thing."

The workers at the Joliet plant are members of the IAM Machinists Union District 8, which like the UAW is affiliated with the AFL-CIO. Several workers noted that the IAM had accepted many concessionary agreements. "We've taken so many cuts without a fight, and this time we said no—overwhelmingly," said one worker referring to the vote by 94 percent of the workers in favor of a strike.

Gareth is a quality inspector with 15 years at the plant, starting shortly after he turned 19. He said, "If it's not going to be good, why would we want to work here? This attack on unions and the middle class has to stop. You've basically got a nonunion job and you're paying union dues."

He continued, "We felt the UAW shouldn't have passed that contract, or we wouldn't be out here. But, before that, we [IAM] probably took concessions."

When asked how things would change, Gareth added, "It's been a struggle all over America now. It's going to take a revolution. We've got to take more ownership of the world we live in and politics."

Caterpillar has apparently prepared for a drawn-out strike. Workers said the company hired a large number of contingency workers and trained them in-house two weeks prior to the walkout. Conditions were so onerous that many quit after only a week. The company has also hired strikebreakers.

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Management also suspended health care coverage on May 1, when the old contract expired. This has forced workers to pay enormous sums for supplemental health insurance, or COBRA, which amounts to more than $1,400 per month for a family of four.

Many workers had their families with them on the picket line.

Like so much of the Midwest, Joliet and the surrounding area have been terribly battered by the deindustrialization of the last 30 years and have not recovered. At one point in the 1980s, Joliet had an official unemployment rate that was the highest in the nation.

Despite being named one of the fastest-growing cities in Illinois, there is visible evidence that families cannot afford to maintain their homes. There are also indications of lack of infrastructure spending. Trash has piled up in empty lots and the sidewalks have crumbled along main thoroughfares. In the last 10 years, the suburban regions have seen a 14 percent increase in tracts of concentrated poverty.

Meanwhile, Caterpillar's Machinery and Power Systems saw its operating profit jump 25 percent to $2.2 billion from $1.8 billion in the prior-year quarter and its financial arm's profit increase to $205 million from $136 million in the first quarter of 2011. Caterpillar reportedly had cash and short-term investments of $2.8 billion as of March 31, 2012.

The company's top six executives pulled in nearly $50 million last year, including CEO Douglas Oberhelman who pocketed $17 million in 2011, up from $10.5 million the year before.

Caterpillar's recent success is based substantially on lowering wages, which it has achieved by pitting workers in other countries, other states, and in other plants, against one another in a race to the bottom.

Earlier this year, Caterpillar-owned Electro-Motive workers in London, Ontario refused a new contract slashing wages and benefits. After locking out the workers for three weeks, Caterpillar announced it was closing the plant and moving operations to Muncie, Indiana, where it would pay $12.50 an hour compared to $28 an hour in Canada. The Canadian Auto Workers, rather than seeking to unite Canadian and American workers in a common struggle, accepted the closure of the plant.

Above all, Caterpillar has relied on the betrayals of the UAW, which in close alliance with the Obama administration has sought to induce companies to relocate or maintain operations in the US by offering up workers as cheap labor.

Bitter strikes of thousands of Caterpillar workers in 1992 and in 1993-4 were ended when the UAW capitulated to the terms dictated by the company. During this time, the IAM ordered its members at Joliet to continue working while UAW members picketed in Peoria and other cities. In each case, the UAW and IAM effectively aided Caterpillar in its strategy to divide workers by plant and by union.

Each of these experiences underscores the need for workers to form their own organizations, independent of the pro-corporate and nationalist trade unions, and form new organizations of struggle including rank-and-file committees. A new strategy is needed, above all the international unity of the working class to politically oppose—on a class basis—the dictatorship of the big corporations and banks and to fight for the socialist reorganization of economic life to guarantee all workers the social right to a secure job and a decent standard of living.

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