

Caterpillar strikers face isolation and danger of defeat

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The strike by 780 machinists at the Caterpillar plant near Joliet, Illinois, has entered its eighth week. Last month, workers overwhelmingly rejected the company's latest contract offer. The terms of the revised contract were worse than the initial offer and would sharply reduce workers' pay and erode working conditions. Despite their courage and opposition, the struggle of the rank-and-file workers is increasingly in danger of being isolated by the International Association of Machinists (IAM).

According to company officials, the negotiation process ended June 10 with Caterpillar's "last and final offer" to the union. The terms of this six-year contract included frozen wages for workers hired before 2005, "market-based adjustments" for newer workers, higher out-of-pocket health insurance costs, forced early retirement, frozen pensions, and no cost-of-living increases. Pay increases would also be tied to individual piecework productivity, which would squeeze production out of workers for less pay and pit workers against each other.

Even as workers see cuts to their wages and benefits, Caterpillar, the world's largest manufacturer of mining and construction equipment, diesel engines and industrial gas turbines, is earning record profits. In 2011, the company generated \$4.9 billion in earnings, with more than \$60 billion in revenue. In the first quarter of 2012, Caterpillar has already generated \$1.5 billion in profit. The CEO and chairman, Doug Oberhelman, was given a total compensation increase of more than 60 percent in 2011, taking home \$16.9 million.

Caterpillar, which has a long history of strikebreaking, is currently busing in strikebreakers and using poorly trained office personnel to maintain production at the plant. According to company officials, production is on pace with more engineers working in the plant than normal. IAM officials report, however, that the quality of the plant production has gone down.

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struggle.

Wally, a veteran worker, spoke to us about the media isolation the workers have been feeling: "If you had a media that told the truth, we would all be on the same page. They are beating us out here."

James, a worker with 17 years at the plant, expressed similar sentiments. "Caterpillar owns the local media, and from what I'm hearing they are painting a rosy picture." But he also expressed his defiance at the strikebreaking effort. "Bring the scabs in. I'll help them pack. But not for those wages!"

James was referring to the fact that a few hundred newer hires were brought in as "second-tier" workers under the previous contract signed by the IAM on wages of roughly \$13 an hour and without benefits. Most of these are younger workers. Older workers at the plant have traditionally earned around \$28 an hour. Tier 2 workers used to be able to work up to the wages of tier 1 workers after 10 years, but the new contract offer has eliminated even that.

He added, "We're all here for the duration. One way or another, we're all here to support each other."

When asked about the political situation, Kevin, a worker with 19 years at the plant, said, "I haven't been paying attention to the elections because I'm disgusted by it. They aren't doing what's best for the country, just what's best for themselves."

On the question of the workforce being replaced by scab labor, Jim said, "The only obstacle to replacements is training. It's not impossible, just a question of time."

Supporters of the Socialist Equality Party noted, however, that the danger facing the strikers is its isolation and that a wider struggle was necessary. A political struggle must be waged by building an independent party of the working class to fight for socialism. Jim replied, "I agree with you 100 percent, but it's going to take them eliminating the middle class. When they do that, there's gonna be a war."

A worker, who asked not to be named, said, "We are all people, I deserve to be able to make a living. Who is our

mouthpiece? Where is he at? I don't hear anything about anything. Now we've got the mayor of Joliet, who claims he supports us, allowing two electronic billboards to display hiring ads for CAT replacement workers.

“I consider myself a Democratic voter on labor issues. But I like to make my own mind and hear different opinions. I don't like any politicians. They can't please everybody, so they are pleasing the ones that have the most money. I would like to believe that people are out for the working people, but there is too much money going around.”

Supporters explained the program of the party and briefly explained the sharp programmatic differences between the SEP and groups like the International Socialist Organization, whose political and class orientation is to the union bureaucracy and the Democratic Party.

Real dangers continue to face the striking workers at Joliet. The IAM has done nothing to widen the strike effort, and several workers expressed a sense of powerlessness of an isolated strike by 780 workers against a transnational corporation. Workers have been forced to subsist on a meager \$150 a week in strike pay from the IAM with the possibility that they will lose their jobs entirely.

Caterpillar recently locked out workers at its locomotive manufacturing plant in London, Ontario after they refused to accept a 50 percent wage cut. Despite courageous efforts by the locked-out workers, the company shut the factory down and announced it was shifting production to Muncie, Indiana, where workers will be paid \$12.50 an hour instead of the \$28.00 an hour workers in Canada were making.

The danger that the company could impose a similar defeat on workers in Joliet is due to the isolation of the struggle by the IAM as well as the United Auto Workers, which has ordered workers at the majority of Caterpillar plants in the US to continue working.

The struggle can be won only through the fullest industrial mobilization of workers to shut down Caterpillar's US and international operations. The IAM, the UAW and the AFL-CIO, however, are opposed to such a fight. Instead, they are campaigning for the reelection of President Obama, who, no less than his Republican challenger Romney, backs the corporate assault on workers' jobs and living standards.

The Obama administration carried out the restructuring of the auto industry two years ago. Dozens of plants were closed. A two-tier wage system was imposed, which pays young workers half the wages of traditional workers.

Recently, the IAM staged an informational picket to protest in front of the Caterpillar headquarters in Peoria. The aim of the protest was to appeal to the shareholders of Caterpillar rather than broaden the struggle of the Joliet workers. Instead of going to the Peoria Caterpillar plants to mobilize sympathy strikes for the Joliet workers, the IAM is

carrying out a stunt that shows its contempt for the rank-and-file.

Neither the IAM nor the UAW is opposed to wage-cutting. By working with management to lower wages, the unions hope to restore lost dues and continue to pay hefty salaries to the upper-middle class union bureaucracy. IAM international president Tom Buffenbarger pocketed \$292,000 in compensation in 2011.

The history of betrayed struggles at Caterpillar should be taken as a stark warning by striking machinists in Joliet. In 1992, Caterpillar workers, members of the UAW, struck for five months and the company ultimately threatened to replace the entire body of 12,500 workers. The UAW capitulated and told its membership to return to work. More than 10,000 Caterpillar workers went on strike for 17 months in 1994 and were once again betrayed by the UAW and sent back to work with no new contract. During the Caterpillar strikes of the 1990s, the IAM ordered its members at the Joliet plant to continue working while UAW members manned picket lines in nearby Peoria, Aurora and Decatur, Illinois.

If the struggle of the Caterpillar workers at Joliet is not to be isolated and defeated like countless strikes and struggles before, workers must take the leadership of the strike and negotiations out of the hands of the IAM and establish independent rank-and-file committees. The fight against Caterpillar is a fight against the capitalist system and both big business parties that are impoverishing workers in order to enrich the corporate and financial elite.



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