

Reject the sellout at Joliet! For an independent political struggle of the working class!

Socialist Equality Party
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The Socialist Equality Party calls on striking Caterpillar workers in Joliet to reject the rotten sellout agreement reached by the International Association of Machinists. This contract is, if anything, worse than what the company proposed four months ago.

Rejection of the deal, however, must be linked to a new political strategy to mobilize the entire working class against the corporate-driven attack on wages and benefits, which is backed by both big business parties. The starting point for a serious struggle is the recognition that Caterpillar workers confront not just the rapacious greed of one company, but the failure of an entire economic system, capitalism.

From the beginning of the struggle, the IAM sought to isolate the strike. Now, following the intervention of top Democratic Party politicians, the union is presenting a contract that includes all the major demands of Caterpillar that were rejected in May.

The proposed contract includes a six-year pay freeze for all workers hired before 2005. After taking into account inflation, this means a cut in real wages of about 20 percent over the life of the contract. Lower-tier workers hired since 2005 will receive a meager one-time 3 percent raise. In addition, all workers will see sharp cuts in health care and pensions.

In a provision aimed at pushing out older, higher-paid workers, the contract will allow managers to assign new shifts or jobs to workers for 90 days, regardless of seniority.

And as if to deliberately insult workers, the new contract includes a signing bonus of \$1,000, far less than the \$5,000 included in the contract that was already rejected.

This contract is entirely in line with Caterpillar's

strategy of impoverishing its workers—at Joliet and company-wide. Corporate management insists that workers must accept these cuts even as the company pulls in record profits (including \$1.7 billion in the second quarter) and hands out \$17 million a year to CEO Douglas Oberhelman.

Caterpillar is carrying out the strategy of the entire ruling class. Especially since the eruption of the economic crisis in 2008, the corporate and financial elite has gone on the offensive, determined to turn back the clock to the 1930s by wiping out all that remains of the gains won by workers through generations of struggle.

To defend their profits and pay for their bailouts, the ruling class is working deliberately to slash wages, eliminate health care and undermine pensions. What is happening at Joliet is happening to workers throughout the country, in company after company, and around the world. An essential part of this campaign is continued mass unemployment, which is being used to enforce a “new normal” of poverty-level wages.

There is mounting opposition in the working class to this assault, as the determination of the Joliet workers makes clear. To the fully worked-out strategy of the ruling class, however, the working class must respond with its own independent strategy.

This means first of all a break with the unions and the formation of independent rank-and-file committees. Lines of communication must be established between all Caterpillar workers in order to launch a coordinated industrial and political offensive to defend jobs and living standards.

In pursuing the attack on workers, the IAM acts as an arm of corporate management. Led by highly paid

officials, like District 8 official Steve Jones (annual salary: \$149,111), the union has strung workers out on \$150 a week in strike pay. The attempt by Local 851 officials to posture as critics of the agreement is a fraud. The local officials have participated fully in the systematic isolation of the Joliet workers.

The IAM and other unions have left the Joliet workers to battle this global corporate giant alone, even though Caterpillar is seeking to impose similar attacks on its entire international workforce. Indeed, just last year, after Caterpillar workers in London, Ontario rejected the company's demands for a 50 percent wage cut, the company simply shut down the factory and moved production to Indiana—where workers are paid \$12.50 an hour.

For its part, the United Auto Workers, which has collaborated in driving down the wages of workers at other Caterpillar plants, ordered its members to continue working with and handling parts produced by scab workers at Joliet.

Far from uniting workers, the IAM, UAW and other unions are united with Caterpillar and the Obama administration, which is seeking to transform the US into a cheap-labor haven. An offensive by the working class above all requires a political break with both big business parties and the development of an independent political movement of, by and for the working class.

The Democrats no less than the Republicans speak for the interests of the financial aristocracy that rules America. The coordinated campaign to impoverish the working class was set off by the Obama administration's restructuring of the auto industry in 2009, which was carried out in close collaboration with the UAW. As part of the deal, pay for new-hires was slashed in half and major cuts in health and pension benefits were imposed.

The highly political character of the Joliet strike was underscored by the cynical visits to the picket lines by Illinois Governor Pat Quinn and Senator Dick Durbin—both determined enemies of the working class. The intervention of these Democratic Party officials, hailed by the IAM, was aimed at shutting down the strike, which they see as an explicit challenge to their entire strategy of reducing wages to poverty levels. A spokesperson for Quinn immediately praised the agreement.

The entire political establishment defends the

capitalist system. The rights of the working class—including the right to a job with a livable income, the right to health care and a secure retirement—are incompatible with the existence of this system, which subordinates all decisions to the interests of the corporate and financial elite.

The alternative to capitalism is socialism—public ownership and democratic control of the economy by the working class, to serve social needs not private profit. The industrial resources of society, including Caterpillar, must no longer be the private property of billionaires and millionaires. Only in this way can the vast wealth created by the working class be used to end poverty and raise living standards for all.

There is no easy or simple solution to the situation confronting working people. The establishment of a new, egalitarian basis of social life is impossible outside of mass struggle—of the entire working class internationally. The events of the past year and a half have demonstrated that the capitalist crisis itself gives rise to such struggles. The United States, at the center of world capitalism, is ripe for social upheaval.

The SEP has launched an election campaign—Jerry White for president and Phyllis Scherrer for vice president. The central purpose of this campaign is the building of a new socialist leadership among workers and young people throughout the country. We call on Caterpillar workers to study our program and make the decision to take up the fight for socialism.

For more information on the SEP campaign, visit socialequality.com



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