

# Union forces through concessions contract at Caterpillar in Illinois

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Machinists on strike at the Caterpillar plant in Joliet, Illinois voted narrowly to accept a union-backed concessions contract, ending a nearly four-month-long strike that pitted the 780 workers against the heavy equipment giant's drive to slash wages to poverty levels.

The large opposition to the sellout—workers reported the vote was about 280 for and 210 against—reflected the determination of workers in the face of the assault by Caterpillar and the pressure exerted on them by the International Association of Machinists (IAM) and the Democratic Party.

The mood as the workers left the union hall Friday was one of bitterness and anger. Many denounced the union officials, yelling “traitors” and “sellouts” as they left the hall, in defiance of IAM officials who were trying to keep them from speaking to the press.

“We fought for four months, and this is what we get,” said Vicky Polliano, who left the union hall in tears. “This is worse than the first contract.”

The workers who supported the contract did so because they were worn down by three-and-a-half months of a strike left totally isolated by the union. “Another \$10,000 or \$20,000 deeper in the hole, and what will it get us,” said one worker, citing the cost of living on top of the meager \$150-per-week strike pay.

The acceptance of the concessions contract is not a vote of confidence in the IAM, which blocked any expansion of the struggle to workers in other Caterpillar plants who are facing wage and benefits cuts.

At the informational meeting preceding the vote, top IAM officials spent two hours attempting to get the workers to accept the contract. “The union officials just wanted us to fold,” said machinist Jeff Van Duyne. Regional officials told workers, “the longer you stay

out on strike, the less leverage you have,” and boasted of last-minute tweaks to the contract, including an increase in the signing bonus from \$1,000 to \$3,100.

“The union just wants our dues. They don’t represent us,” added machinist Dave Lambert.

The contract proposal included all of the concessions demanded by the company in the initial offer voted down by the workers, including the elimination of cost of living pay increases and a six-year pay freeze for workers hired before 2005. The latter means a 20 percent cut to real wages over the life of the contract.

Workers hired after 2005, most of whom start at the new-hire wage of \$13 per hour, will receive a one-time three percent wage increase over six years.

The contract likewise includes a sharp increase in health care costs and attacks on pensions. It will also allow managers to assign new shifts or jobs to workers regardless of seniority for 90 days—meaning workers with decades of experience could potentially be forced back to the night shift, for example. The aim is to drive older, higher paid workers out of the factory so they can be replaced with cheaper labor.

After the vote, some of the most militant workers said they were concerned about being victimized by management because the union would do nothing to defend them.

The Joliet strike was an implicit challenge to the strategy of the Obama administration to use the economic crisis to savagely cut wages and entice corporations to relocate their operations from China, Mexico and other low-wage countries back to the US. In this, the White House has the full support of the IAM and other unions like the United Auto Workers, which back pay cuts and so-called in-sourcing in order to replenish their dues income.

The bitter struggle took on national significance

because it was among the most high-profile attempts to carry out the type of wage-cutting that the Obama administration imposed on auto workers during the restructuring of GM and Chrysler. Unlike the Big Three auto companies in 2009, Caterpillar is massively profitable.

Caterpillar posted record profits of \$1.7 billion for the second quarter, a 67 percent increase over the previous year. CEO Douglas Oberhelman took in \$16.9 million in 2011, a 60 percent increase from the year before.

After the deal, which was universally hailed in the business press as a victory for the company, Caterpillar stock rose 1.5 percent.

Over the last few weeks, the White House and Illinois Democrats exerted pressure on the IAM to put an end to the strike. While Illinois Governor Pat Quinn and US Senator Dick Durbin feigned support for the strikers, behind the scenes top officials from the international and district level took over negotiations and accepted all of the company's demands. Local 851 officials, fearing opposition from the rank-and-file, distanced themselves from the deal but offered no way forward.

The struggle by the workers at Joliet once again confirms the bitter reality that no social struggle is possible within the framework of the trade unions, which are totally beholden to the corporations, the Democratic Party, and the program of impoverishing the working class.

"Our struggle was about everybody; every working person all over the world," said Jeff Van Duyne. "When we fight, it's not for ourselves; it's because we know that if we fold, the corporations will use this as an example; Caterpillar sets the bar for wages."

The struggle against wage-cutting and layoffs must be animated by a new strategy and political perspective. Workers themselves feel this, and resent the moves by the unions to isolate strikes and enforce concessions one plant at a time. "We have to have everybody from the janitor to the trucker fighting together, that's the problem," said Joe Johnson.

"The problem is that we're having these strikes, but we haven't organized against Washington," said machinist Lonnie Locke. "We need a revolution."

Members of the Socialist Equality Party handed out a statement urging the workers to build rank-and-file committees independent of the pro-corporate unions and fight for the internationalist and socialist program

being advanced by the SEP election campaign.

"There is no easy or simple solution to the situation confronting working people," the statement read. "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.

"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."



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