

# The workers' rebellion at Boeing

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In a sign of the growing mood of resistance in the working class, Boeing workers in the US states of Washington and Oregon Wednesday resoundingly defeated an eight-year contract extension demanded by corporate executives, the union and state politicians.

A cheer rose up Wednesday night from hundreds of rank-and-file workers in the Seattle union hall when dejected union officials from the International Association of Machinists (IAM) announced the deal had been defeated by a 2-to-1 margin.

Confronted by angry workers denouncing them as company stooges, District 751 President Tom Wroblewski and IAM International Aerospace Coordinator Mark Johnson—who had negotiated the sellout behind the backs of the workers—quickly ran for shelter in their offices.

The action by the 31,000 Boeing workers, who turned out en masse to vote down the deal, is all the more courageous because they defied what has long been the central strategy of corporations and the unions: the use of mass unemployment to bludgeon workers into submission.

Top executives from the aircraft manufacturing giant said the company would move production of a new carbon-winged 777X jet to a nonunion factory in South Carolina if workers in the Pacific Northwest rejected sweeping concessions that, according to the corporation, were needed to create a “competitive cost structure”—i.e., boost profits.

Joining the company were IAM officials. Standing side by side with Boeing executives to announce the deal last week, Wroblewski declared, “The company has shown its commitment to invest in our future. This could be a game changer, job growth is what Washington needs and it’s what our families need.”

The corporate-controlled media added its voice, declaring that Boeing’s factories in Everett, Washington would be half-empty in a matter of years,

and surrounding Puget Sound communities ruined, if workers did not vote the right way.

Finally, there were the bought-and-paid-for political representatives of Boeing—Washington’s Democratic governor and state legislators from both corporate-backed parties—who rushed through a \$9 billion package of long-range tax incentives for the company on the eve of the workers’ vote. With IAM officials at his side, Washington Governor Jay Inslee signed the tax handout Monday, declaring, “We have the opportunity to build this plane here. I hope we take it.”

But workers were in no mood to be blackmailed into accepting the contract extension, which would have destroyed the conditions and rights won by workers over generations of struggle.

The deal, if passed, would have extended the current contract until 2024, ended company-paid pensions, sharply increased out-of-pocket medical costs and curtailed health coverage. Wages would have been virtually frozen, with one percent wage increases every other year, translating into a de facto 10 percent cut in real wages over eight years. Already low-paid new-hires would have had to labor for sixteen years before reaching the top pay scale.

Adding insult to injury, the IAM agreed to enforce these conditions of industrial servitude with a “contract” that also banned any strikes until 2024.

After decades of union-backed concessions, Boeing workers have come to realize that today’s givebacks will not result in saving jobs, but only in another round of concession demands tomorrow. There is a growing sense that workers have nothing to lose and everything to gain by organizing a fight-back.

Moreover, the corporations, which are crying that decent wages and pensions are simply “unaffordable,” are making more money than ever. Boeing is America’s largest exporter, with billions in government contracts, tax incentives and subsidies. It is highly

profitable, with third-quarter earnings up 12 percent to \$2.2 billion, and its share values have hit record highs.

Boeing CEO Jim McNerny was paid \$27.5 million in salary and incentive pay last year, up 20 percent from 2011. While he wants to cut the meager pension benefits of workers—who get \$2,700 a month after 30 years of work—McNerny’s pension holdings shot up \$6.3 million in the last year alone, enabling him to retire on \$265,575 a month!

Workers confront not simply a greedy corporation or CEO, but an entire economic and political system, capitalism, based on the exploitation of the working class for the enrichment of the few. The Democrats and Republicans, the courts, the police and the trade unions—which function as the labor police for the corporations and the government—all defend the profit system and the social inequality that it creates.

Since the crash of 2008, the Obama administration has channeled trillions of dollars to the Wall Street banks and stock markets through bailouts and the easy money policy of the Federal Reserve. It has used the desperate economic conditions facing working people to slash wages and benefits, beginning with the 2009 forced bankruptcy and restructuring of GM and Chrysler. This has been followed by the Affordable Care Act, which companies like Boeing and city governments in Detroit and Chicago are using to slash costs and throw workers into inferior health plans.

While indices of social misery are at levels not seen since the Great Depression, the super-rich are doing better than ever. In the US, the richest one percent of the population has captured 95 percent of all income gains since 2009. Internationally, the net worth of the world’s billionaires has doubled to \$6.5 trillion over the last three years.

This is what is behind the immense social anger in the working class and mounting expressions of the class struggle, which the trade union bureaucracy is finding ever more difficult to contain. The recent period has seen the eruption of militant struggles by Boston and New York City school bus drivers, Chicago teachers, and BART transit workers, and a series of clashes between auto workers and the United Auto Workers union. These struggles are part of a growth of social tensions all over the world.

As the Boeing struggle shows, whenever workers seek to assert their own interests they are immediately

thrown into confrontation with the unions, which have been transformed into the direct instrument of the corporations, the Democratic Party and the capitalist profit system.

A section of local union officials in Washington, well aware of the mass anger of the workers, publicly opposed the contract and are now claiming the union can be reformed. But they share the same pro-capitalist outlook as the IAM apparatus as a whole. One local leader made that clear, telling a rally of hundreds of workers before the vote that if Boeing needs to adjust its benefits “then let’s have that debate and let’s have that discussion and have a true negotiation...”

Long experience has shown that the IAM will do everything it can to wear workers down and push through another sellout deal. That is why workers must take the conduct of the struggle out of the hands of the IAM and elect a rank-and-file committee, consisting of the most trusted and militant workers, to organize a genuine struggle against the threatened destruction of their jobs and living standards.

The fight against such a vast multinational corporation as Boeing, however, requires the mobilization of the broadest sections of the working class, including aerospace workers in the US and internationally who are facing job and wage cuts, and every section of workers and youth.

What is needed is a new mass political party of the working class, opposed to both big business parties, and fighting for a socialist alternative to the profit system, including the nationalization of basic industries and the banks under the control of the working class.



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