

# CEO says Boeing plans to keep its workers “cowering”

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In a conference call with Wall Street analysts last week, Boeing CEO James McNerney said he would not retire when he turned 65 next month because “The heart will still be beating, the employees will still be cowering (laughing). I’ll be working hard; there’s no end in sight.” Among the well-heeled crowd of representatives of hedge funds and other high-powered financial interests, there was no doubt an appreciative laugh at his, as *Bloomberg News* termed it, “quip.”

While McNerney has since apologized, his unguarded “gaffe” revealed the arrogance and contempt felt by the top one percent toward the working class. There is little doubt that similar if not worse comments are made in corporate boardrooms, political chambers and editorial offices all across America each day.

The CEO of the giant airline manufacturer is part of the corporate and financial oligarchy that has enriched itself by waging a nearly four-decade-long war against the jobs and living standards of workers. They operate with virtual impunity with bought-and-paid-for politicians showering them with bank bailouts and subsidies and, in the case of Boeing, tens of billions in corporate tax cuts and defense contracts.

Hired as Boeing’s Chairman and CEO in 2005, McNerney has overseen the near doubling of Boeing’s stock price, from \$66 at the end of 2005 to its present level of \$123. Paid \$23.3 million in 2013, a figure that nearly doubled to \$39.2 million with stock options, McNerney—a member of the Business Roundtable—has called for “reforming” Social Security by raising the retirement age to 70, along with cuts in Medicare and other programs. While McNerney proposes to throw INTO destitution workers who have labored their entire lives, the value of his pension reached nearly \$43 million in 2013, or \$250,000 per month.

Having long ago taken the measure of the gang of

corrupt company men who run the International Association of Machinists (IAM) and other unions at Boeing, McNerney believes he can get away with just about anything. With the complicity of the IAM, he has used threats of mass layoffs and shifting production from the company’s main facilities in the state of Washington to lower-wage regions of the country to extract huge concessions from workers.

Last January, the IAM rammed through an eight-year contract extension that eliminated the company-paid pension, imposed higher health care costs in accordance with Obamacare, reduced contractual pay increases and banned strikes. After 67 percent of machinists voted against the extension in November of last year, Boeing relied on the IAM to force through its concessions demands through a revote. On this basis, Boeing reported last week that second quarter net earnings increased 52 percent, with 181 jets delivered as opposed to 169 over the same quarter last year.

In the eyes of McNerney and his class, there is no question they are waging a war to reduce the working class to a submissive, “cowering” state. For decades, the trade union bureaucracy has peddled its drivel about “labor-management cooperation” to conceal the fact that American society, like the rest of the world, is divided between two social classes—the capitalist class and the working class—whose interests are irreconcilably opposed.

The days of the “social contract” between labor and management—based on the unchallenged domination of US industry—are long gone. The American ruling class is returning to the repression and naked exploitation that characterized the 19th century, a time when robber barons like Jay Gould boasted, “I can hire one half of the working class to kill the other half.”

Predictably, IAM President Tom Buffenbarger

decried the “unfunny and unnecessary remarks” of the Boeing CEO—because McNerney let the cat out of the bag and said what the entire ruling class is thinking.

McNerney has confused (perhaps deliberately) the cowardice and subordination of the union bureaucracy toward corporate wealth and power with the attitude of rank-and-file workers. The CEOs wish to continue plundering the working class forever and imagine a glowing future of such operations. They are, however, in for a rude awakening.

The discredited trade union bureaucracy cannot suppress social tensions in the US for much longer. Sooner rather than later, a social explosion will erupt against the staggering levels of social inequality and the essentially criminal class that oversees it.

The WSWS spoke with Doug, a machinist at Boeing. He said, “[McNerney] threw gas on the fire with his comment. We might as well go back to the days of Carnegie, J. P. Morgan and Rockefeller with slave labor and cracking the whip.” Doug continued, “That this man has the audacity to say such a statement is repugnant to me. He could not show up on the floor and say that.”

One comment on the *Seattle Times* comment section captured the sentiment of many workers. “It is class war. McNerney is not unusual. They are all like that.”



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