

American Airlines flight attendants and the global airline industry

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20 November 2014

The rejection by American Airlines and US Airways flight attendants of the recent tentative agreement submitted by their union, the Association of Professional Flight Attendants (APFA), takes place amidst cutthroat competition in the global airline industry.

Through their vote American Airlines flight attendants demonstrated their determination to resist further attacks on working conditions and living standards. In considering how to carry forward their struggle, flight attendants need to look at the broader issues confronting airline workers in the US and internationally.

All the major global airlines are seeking to slash costs in order to maximize profits under conditions of continued global slump. Opposition to the mounting attacks on wages, pensions and working conditions has erupted recently in strikes by pilots at Air France and Lufthansa. For their part the unions have sought to stifle these struggles in the name of maintaining the global competitiveness of their respective air carriers.

In the United States a series of bankruptcies and mergers over the last 12-13 years have led to the consolidation of what were formerly 10 major airlines down to just four, which dominate the national market. Major bankruptcies during this period include: United (2002), Northwest (2005), Delta (2005), US Airways (2002 and 2004) and, most recently, American (2011).

The consolidation in the US airline industry parallels a similar process internationally. A few of the largest global mergers include multiple acquisitions by Lufthansa between 2005 and 2009 when it purchased Swiss Air, Australia Airlines and BMI. In 2004 Air France merged with KLM Royal Dutch Airlines and in 2006 Cathay Pacific Purchased Dragon Air. In 2010 Caribbean Airlines acquired Air Jamaica.

The global economic meltdown of 2008 accelerated the crisis in the airline industry, as air traffic fell internationally. Between 2008 and 2013 a total of 375 airlines went out of business worldwide. Airline workers have borne the brunt of this with the destruction of jobs and demands for higher productivity and wage cuts for those remaining on the job. In 2012 American alone eliminated 13,000 jobs, 16 percent of its workforce. The cuts included 2,300 flight attendants and 400 pilots. Its bankruptcy plan called for a \$2 billion cost reduction, \$1.25 billion of which would come from employees.

In Spain, unions at Iberia Airlines this summer agreed to an additional 1,427 job cuts, bringing the total slashed at the airline to 4,600 since 2012.

Earlier this year Australian-based Qantas Airlines announced the layoff of an additional 5,000 workers and the imposition of a wage freeze. The airline is looking for \$800 million in cost savings and to reduce its debt by \$1 billion.

As a result of continuous cost cutting, along with the fall in oil prices, US airlines are now realizing enormous profits. In the third quarter of 2013 American recorded net income of \$942 million, an 87 percent improvement of the combined profits of American and US Airways before their merger last year. Southwest saw its profits jump to \$329 million, a 27 percent rise. United saw its profits increase to \$924 million, a 144 percent rise since last year, while Delta had \$579 million in adjusted net earnings.

This situation is a stark expression of the failure and bankruptcy of the capitalist profit system. Since the deregulation of the airline industry in 1978 all the claims that free market competition is the best guarantor of quality, efficiency, safety and low prices have been exposed as lies. The turn to deregulation

was, in fact, part of a policy of class war launched by the ruling elite aimed at destroying all the gains workers had won through past struggles.

The unions collaborated in this process. They worked with management to impose round after round of concessions and to block any attempt at organized resistance on the part of workers, beginning with the isolation and betrayal of the strike by PATCO air traffic controllers in 1981. The defeat of the air traffic controllers was followed by a wave of wage cutting and strikebreaking throughout the US. Airline workers were a particular target. Strikes were broken at a series of companies in the 1980s including United, Continental, Northwest and Eastern.

The last major strikes by airline workers came in 1993, when American Airlines flight attendants struck against concession demands. However, instead of supporting the strike, the pilots' union ordered its members to cross the picket lines and continue to fly planes. APFA called off the strike after only five days, agreeing to a deal for binding arbitration brokered by the administration of President Bill Clinton. It required flight attendants to return to work under terms of the same draconian work rule concessions that were the immediate catalyst for the walkout.

There has not been another significant airline strike in the US for the past two decades. In one case where workers did walk out, the strike by Northwest Airlines mechanics in 2005, the Air Line Pilots Association, the International Association of Machinists and other AFL-CIO unions ordered their members to cross picket lines. This open strikebreaking led to the isolation and defeat of the mechanics, whose union, the Aircraft Mechanics Fraternal Organization, was broken and workers victimized.

In the American Airlines bankruptcy, the unions agreed to a package of concessions and then, to add insult to injury, imposed an anti-democratic gag order prohibiting workers from criticizing executive compensation packages. One executive alone, former American CEO Thomas Horton, received a payout of close to \$17 million.

The deplorable role played by the unions is not simply the result of mistaken policies or bad leaders. As organizations based on the defense of the capitalist profit system and tied to the nation state, the unions responded to the rise of globalized production by

seeking to defend the competitiveness of "their" employers by lowering wages and attacking working conditions. At the same time they have created a whole web of relations with management aimed at preserving the institutional interests of the union bureaucracy.

To advance their interests airline workers need a new program and strategy. What is required are genuinely democratic organizations of struggle based on the fight for the socialist reorganization of society. US airline workers must join hands with their brothers and sisters internationally in a common fight against the multinational airline conglomerates. This includes fighting for the program of nationalization of the airline industry under the democratic ownership and control of the working class.

This is necessarily a political struggle. The alliance of the unions with the Democratic Party signifies the political disenfranchisement of the working class. The working class must build its own party, independent of the two parties of Wall Street, the Democrats and Republicans. Only in this way can workers begin to mobilize their full strength in the fight to establish a workers government.



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