Oil giants take hard line against US workers on strike

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Nearly 4,000 workers are on strike at oil refineries in Kentucky, Texas, California and the state of Washington after negotiations between the United Steelworkers (USW) union and major oil corporations for a new three-year labor agreement broke down over the weekend.

On Sunday morning, union officials called a limited strike—involving nine out of the 65 oil refineries it organizes and only 3,800 out of the 30,000 workers covered by the national agreement. The action was called after Royal Dutch Shell, the lead bargainer for the oil companies, walked out of talks without giving the USW anything it could present as a concession to help overcome rank-and-file opposition to another sellout deal.

Despite the sharp slide in crude oil prices, the energy conglomerates, which also include ExxonMobil, BP, Chevron and Marathon, are taking in windfall profits and are paying their top executives multimillion-dollar bonuses. The value of the oil company shares have more than doubled since the last contract signed by the USW in 2012.

Like workers throughout the United States, oil workers are determined to regain lost pay after more than a decade of stagnant wages and rising health care and other living expenses. In addition, many oil workers are subjected to 12-hour shifts and are forced to work as many as 14 straight days, according to the USW, resulting in fatigue and the danger of fatal accidents.

The politically connected oil industry faces little, if any, oversight—whether Democrats or Republicans are in office—from federal and state regulators despite a raft of deadly explosions, chemical releases and other environmental disasters.

Two of the refineries selected for picketing were the locations of deadly disasters over the last decade. This includes the Marathon Galveston Bay Refinery in Texas City, Texas (formerly owned by BP), where 15 workers were killed and 170 injured in a March 23, 2005 hydrocarbon vapor cloud explosion. Investigations found BP responsible for unsafe conditions due to corporate cost cutting, a failure to invest in the plant infrastructure and a lack of oversight on safety and major accident prevention. BP sold the facility to Marathon for $2.5 billion as part of a divestment plan following the Deepwater Horizon disaster in 2010.

The other facility is the Tesoro Anacortes Refinery in the state of Washington where seven workers were killed in an explosion on April 2, 2010. State regulators cited the company for 39 “willful” and five “serious” violations of health and safety regulations. An investigation by the US Chemical Safety Board concluded that Tesoro had a “complacent” attitude towards flammable leaks and occasional fires; did not correct a history of recurring leaks and placed workers in dangerous conditions; and did not adequately maintain equipment before the lethal blast. It also found that the accident was rooted in “a deficient refinery safety culture, weak industry standards for safeguarding equipment, and a regulatory system that too often emphasizes activities rather than outcomes.”

Last August, the Obama administration’s Justice Department shut down its four-year investigation into violations of occupational safety and environmental laws, claiming that the evidence it found “does not reach the exacting bar for criminal prosecution.”

After appeals by Tesoro’s attorneys, a judge in the state of Washington threw out 27 of the 39 “willful” violations and reduced the company’s fine from $2.39 million to $685,000. Judge Mark Jaffe could knock that down even further in a ruling expected this year.

In comments to the local media web site, *click2houston.com*, Josey Wales, a supporter of the oil workers, replied to comments criticizing the strikers. “[This] is about what the company wants to take away. It’s about the safety in the plants. Maybe you have not been paying attention to the explosions, fires, environmental incidents and the exposure these guys are constantly facing... These corporations don’t care if you’re exposed to cancer-causing chemicals on a constant basis on your job. But do you care if your family is? Are you ignorant enough to believe these chemicals stop at the gate around these plants? That they don’t show up in your water your family is drinking?

“My dad and grandfather both worked in the plants. They worked shift work, nights, evenings, days. They worked holidays and weekends. By the time they were 60 years old they were worn out old men. They buried friends that burned to death in fires and explosions. They buried friends that died from cancer… These plants are making record profits and the CEOs are taking home 40 million-plus a year plus stock bonuses. If you think cheap oil is going to hurt them you are ignorant to how it works. Oil companies buy oil to refine and then sell the byproducts from it. It’s the drilling companies that are laying off. The oil companies are going to make a killing with cheap oil.”

The USW has made sure the strike has the least possible impact. The Tesoro refinery in Martinez, northeast of Oakland, for example, was already operating at half capacity because of scheduled maintenance. Although the USW represents workers at refineries that account for two-thirds of the nation’s refinery capacity, the strike only affects nine facilities, responsible for 10 percent of capacity. The remaining USW-represented refineries are continuing to operate under rolling, 24-hour contract extensions, according to the union, while operations at nearly 200 unionized oil terminals, pipelines and petrochemical plants continue. There has not been a national oil workers strike since 1980 when workers were out for three months.

The sabotage of the strike is not an accident. The USW executives are opposed to any serious fight against the oil giants. While posturing as defenders of safety and workers’ living standards, the USW has collaborated with the oil companies to slash jobs and labor costs in the name of improving “competitiveness” just as it has done in the steel industry.

In 2013, President Obama appointed USW President Leo Gerard to serve on the Advanced Manufacturing Partnership Steering Committee, charged with “enhancing the nation’s competitiveness.” In his latest statement on the union’s web site, Gerard praises Obama as a champion of the “middle class” and opponent of social inequality even though he has overseen the greatest transfer of wealth from the bottom up in history.

Obama has not only let corporate criminals—like Tesoro, BP, General Motors and JPMorgan Chase—get away scot-free, he has made the reduction of American workers into a cheap labor force the center of his manufacturing strategy. The president differs from the Republicans only in his greater willingness to use the services of Gerard & Co. to suppress working-class opposition to these corporate attacks.

Phony statements of international solidarity coming from Unite, the British union, which has a record of betraying workers, are no substitute for a real struggle to unite workers internationally against the global oil giants. If the livelihoods and very lives of workers are not to be subordinated to the anarchy of the capitalist market—and the booms and busts of speculative bubbles—then the oil industry must be nationalized, placed under the democratic control of the working class and run on the basis of human need, not profit.

The conduct of this struggle must be taken out of the hands of the USW. Rank-and-file committees, consisting of the most militant and class-conscious workers, must be set up to spread the strike and shut down the entire industry. At the same time, oil workers must reach out to the broadest sections of workers and youth to fight for the development of a powerful industrial and political movement of the working class against both big-business parties and the capitalist system they defend.