Thirty-five years since the nationwide US refinery strike

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The current strike of US oil refinery workers raises many of the same issues that arose in the 1980 national strike. Once again, workers face attacks on wages, safety, pensions and health benefits. Examining the details of the 1980 struggle sheds light on the current opposition of the United Steelworkers union leadership to an industry-wide strike and its disavowal of wage demands.

In 1979, all of the major oil companies and the Oil, Chemical and Atomic Workers union (OCAW) signed a two-year contract. The agreement provided the smallest wage gains of any major union contract that year, at 7 percent per year, considerably behind the galloping inflation rate of the late 1970s. It included a clause for reopening negotiations after one year on three issues: wages, a company-paid health plan, and vacations.

The union had made proposals on all three issues in talks that had been ongoing since the previous November. With the negotiations having failed to produce a resolution, the 60,000 members of the OCAW were free to strike at over 100 oil companies on Tuesday, January 8, 1980. This was the first national strike of oil workers the union had called in 11 years.

By the union's calculation, the previous wage increases had left oil workers 20 percent behind inflation, which had reached double-digit levels in the US.

By the 1970s, the post-World War II stability of the world economy was coming apart at the seams. European and Japanese capitalism, which eagerly bought US goods during the post-war reconstruction, had reemerged as major competitors. The United States had been running a negative balance of payments for a decade. Massive deficits incurred from the Vietnam War (1965-1973) hastened the decline of American gold reserves, leading Nixon to end dollar-gold convertibility on August 15, 1971.

Cut free from any gold backing, the value of the dollar quickly declined, driving up inflation and provoking a series of militant labor struggles throughout the 1970s. Workers fought to keep their wages at or above the inflation rate, with mixed results. This included the 111-day strike in 1977-78 in which coal miners defied President Jimmy Carter's attempt to break the strike with a Taft-Hartley injunction.

In 1979, Carter appointed Paul Volcker, a Chase Manhattan Bank executive, to head the Federal Reserve Board and lead the attack on inflation—i.e., on the working class. Later that year, Carter created the Pay Advisory Committee, composed of business and union leaders, for the purpose of limiting wages. While inflation reached 13.5 percent in 1980, the committee sought to cap wage increases at just 7 percent. As Volcker succinctly put it, "The standard of living of the average American worker has to decline."

In his collective bargaining message to the membership, newly-elected OCAW President Robert Goss said, "Our members in the oil industry will not accept wage cuts disguised as double-digit inflation." But that is precisely what his predecessor, A. L. Grospiron, had done the year before, with the full support of Goss and the rest of the union bureaucracy. At that time, the OCAW leaders accepted a wage increase of 14 percent over two years, adhering to Carter's 7 percent guideline.

The health plan and vacations were also major issues. The oil companies did not provide fully paid health care, despite the enormous hazards—explosions, fires, toxic substances, carcinogens—that are all too common in the industry. On that Tuesday afternoon in January 1980, 60,000 workers walked off the job in the first national strike by the OCAW since 1969.

Gulf Oil, at the time considered the pattern-setter in the industry, acted as the lead negotiator for the oil companies and refused the union's demand for a company-paid medical plan, including dental care. Gulf offered a 9 percent annual wage increase, but OCAW negotiators rejected it, saying they would not discuss wages until the health plan had been accepted.

Emphasizing the importance of the fight for medical coverage, one BP striker at Trembly Point refinery in New Jersey told the *Bulletin*, the printed newspaper and forerunner in the US of the *World Socialist Web Site*: "We have no dental, no vision care, and we pay our own hospitalization. Plus, last year we got the worst contract of any union. This strike is the direct consequence of what happened last year with the seven percent. People have to understand that."

Most of the 100 companies affected by the strike claimed they could keep operating by using supervisors to run the equipment. However, three refineries were forced to shut down: Gulf Oil in Toledo, Ohio and Husky Oil at two Wyoming locations, Cheyenne and Cody.

By going on strike, the oil workers threw down the gauntlet to the Carter administration's wage policy and also entered into direct conflict with the AFL-CIO's "national accord" wage-restraint policy.

While the union bureaucrats of the AFL-CIO, Teamsters and the United Auto Workers gave their full support to a cut in real wages for every worker, at a time when prices were going up 13 percent and more, OCAW President Goss proposed no fight against the guidelines. A spokesman for the union said its policy was to "ignore" the guidelines, while quietly staying within them. In opposition to the timidity of the union leadership, workers carried out a militant struggle.

In one picket action, striking gasoline loaders at British Petroleum's terminal at Trembly Point, then the largest supplier of unleaded gasoline in the northeastern US, blocked all tanker truck shipments.

Across the country, the government responded with court injunctions, surveillance and police escorts for scabs. In Texas City, Texas, 50 workers were arrested at the Amoco refinery after police declared that any gathering of more than seven workers constituted a riot. The police were forced to back down after mass picketing continued. In Houston, a striker was injured after a scab fired into the cab of his pickup truck.

Texaco upped the pressure on strikers by cutting off benefits to OCAW workers, notwithstanding the fact that the strike fell under the wage reopener clause in the two-year contract. This caused Blue Cross to cut workers' prescription and major medical coverage.

By the beginning of February, the OCAW leadership had begun negotiating piecemeal contracts with some of the smaller refiners such as Quaker State. The union sent workers at the Texaco terminal in Bayonne, New Jersey, back to work even while Texaco's refinery in Westville, New Jersey, was still on strike. They also retreated from their demand for full medical coverage. Instead, the OCAW asked for increased contributions from the companies.

There was broad sympathy for the oil workers' strike within the working class. In March, the port workers in Long Beach, California, struck in support of the oil strike. Six thousand workers from the International Longshore and Warehouse Union, the United Steel Workers, the United Auto Workers, the National Maritime Union, the International Association of Machinists, the International Brotherhood of Teamsters and other unions marched in Southern California.

On March 22, Shell offered its workers the "national pattern," which was accepted. Finally, on April 12, Texaco offered the same, ending the strike on April 16. Workers received what amounted to a 10 percent pay raise each year, and, for the first time, a dental plan.

For their part, the officials at the head of the unions were collaborating with the Carter administration's strikebreaking efforts and supporting the suppression of wages in order to maintain the "competitiveness" of US corporations. Carter's Pay Advisory Committee included a "Who's Who" of union bureaucrats. Among them was Lane Kirkland, at that time the secretary-treasurer of the AFL-CIO. The following year, as AFL-CIO president, Kirkland orchestrated the isolation and defeat of the PATCO air traffic controllers strike.

Also on the committee was Douglas Fraser, president of the United Auto Workers, who was then negotiating the first major union contract with concessions. Fraser agreed to a $3-an-hour pay cut for Chrysler workers in the name of "saving jobs"—although thousands of jobs were wiped out—and was rewarded with a position on the Chrysler board of directors.

The oil workers strike, while largely successful in trade union terms, came at a turning point in the history of the American labor movement. There were two possible lines of development: either a direct struggle against corporate America, which required the launching of a political struggle against the Democratic Party and the US government on the basis of socialist policies; or the path of Fraser, Kirkland & Co., leading to the transformation of the unions into out-and-out instruments of the capitalist class to police the working class.

Carter paid the price for his failure to curb the wages offensive by mine workers, Teamsters, refinery workers and others, losing the confidence of the American ruling class. He was defeated in the 1980 election by Ronald Reagan, who would go on to implement Carter's plans to break the air traffic controllers union and force through the reduction in living standards and destruction of jobs the banks demanded.

Over the course of the next decade, the AFL-CIO officialdom orchestrated defeat after defeat, isolating militant struggles by miners, steel workers, paper workers, meatpackers, airline workers and many, many more. The doctrine of corporatism—labor-management collaboration to the point that the unions were transformed into business adjuncts of the major corporations—became indelibly ingrained in the old labor organizations.

There is no resurrection of these outmoded organizations, which now exist only to trap the working class, stifle and suppress its struggles, and subordinate workers politically to the capitalist Democratic Party. The way forward for the working class as a whole, including the striking oil workers, is the building of new organizations that reject the profit system and oppose the economic and political dictatorship of the financial aristocracy, fighting to mobilize the enormous strength of the working class on the basis of a socialist program.