US oil strike enters third week with corporations refusing to budge on wages, safety conditions

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Over 5,000 workers continue to strike at eleven oil production facilities, including nine refineries, across the United States accounting for 13 percent of the country's refining capacity. The strike began on February 1 and is now entering its third week. Talks between Shell, which is the lead negotiator for ExxonMobil, BP, Chevron and other oil giants, and the United Steelworkers (USW) are scheduled to resume Wednesday with no indications yet that a quick resolution will be reached.

The USW has refused to call an industry-wide strike and work continues unaffected at the other 53 refineries where USW members work. Only the Tesoro Golden Eagle Refinery in Martinez, California, has actually ceased operations and that was in part due to already scheduled maintenance.

At the BP refinery in Whiting, Indiana, workers expressed concern that the selective strike policy of the USW was undermining their power in the face of intransigent employers. "Why aren't all of the oil workers on strike now?" one worker asked the *World Socialist Web Site*. At refineries across the US, the same question is being asked by many of the 25,000 oil workers the USW is instructing to work while their brothers and sisters take on some of the largest and richest corporations in the world.

There is also widespread support for such a struggle among broader layers of the population. Outside Chevron's El Segundo refinery outside of Los Angeles—whose 1,000 workers are not on strike—a small business owner told the *World Socialist Web Site*, "Over the last 10 years, the community, which used to be thriving, has declined. A lot of local restaurants are hurting and the oil workers have not received any wage increases. Despite the falling oil prices, the companies are making money hand over fist. The workers should be able to get a piece of that."

Well aware of this growing sentiment among rank-and-file workers, USW officials have issued some rhetoric about expanding the strike. "The longer that this strike rolls on, the more people that will be affected," Gary Beevers, USW international vice president, told Reuters in a telephone interview on Monday. Asked if lack of progress in talks with lead oil company negotiator Shell could result in strikes at more plants, Beevers said, "There certainly will be."

This is solely for popular consumption. The USW remains determined to limit the impact of the strike while it seeks a backroom deal to defend the institutional interests of the union apparatus—like minimal staffing levels to counter the erosion of the union bureaucracy's dues income. Meanwhile, it is leaving workers totally exposed to oil companies, which are determined not only to hold the line on wages and health care costs, but to impose even greater cuts in jobs, living standards and working conditions.

In his comments, the USW vice president acknowledged that the union was totally unprepared for the hard line taken by the employers. "Progress would be meeting on a regular basis and having a dialogue on the contract issues," he said. "We're willing to meet 24-7. We came to the table looking for a contract, not a fight. They chose to fight."

While refusing to concede anything to workers, the big five oil companies—BP, Shell, ExxonMobil, Chevron and ConocoPhillips—made $90 billion last year and are spending tens of billions on dividends and stock buybacks for their wealthy investors.

The companies have dug in for a long fight and refiners like Marathon and Tesoro are shifting managers from other locations and using strikebreakers—which they started training even before negotiations began last November—to maintain operations. At the BP-Husky facility outside Toledo, Ohio, they have brought in trailers for sleeping along with washers and dryers so that scabs can live on-site throughout the strike.

So far, there have been at least three industrial incidents resulting in unplanned repairs at scab-run refineries, but none are reported to have been serious. "They say these guys are trained," another striker at the picket line in Whiting

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said. “But you can’t teach them in 15 minutes what we know. We have to operate thousands of gauges and valves to keep this place safe.”

The strike has had a minimal impact on the financial strength of the refiners, who are in no rush to negotiate. The next talks on Wednesday come after a week of absolutely no bargaining, as Shell said they needed the delay to gather information requested by the union.

Overall, gas stockpiles in the US are at their highest levels in four years and gasoline production has remained effectively unchanged, actually rising by 1.5 percent, in the first week of the strike. The low crude prices, although lowering profits overall, are actually a plus for refiners who make larger profits from refining the cheaper crude into higher costing fuels, plastics and chemicals.

In an effort to break up the unity of oil workers, ExxonMobil is offering to cut a separate five-year contract with the USW as a condition for doubling its refinery capacity at its facility in Beaumont, Texas, east of Houston. The deal, which would pull these workers out of the national agreement and establish a different expiration date, would ensure that there were no strikes during the planned expansion.

So far the USW has advised its membership not to vote on that contract as a tactical matter. During the last round of negotiations three years ago, however, the USW encouraged piecemeal contracts in order to isolate its locals with a more militant history.

Lynne Hancock, a national USW spokeswoman, told the *Chicago Tribune* when asked whether the union intended to expand the strike, “We’re targeting specific facilities for strategic reasons, and that strategy is not being revealed to anyone but negotiators and the international president, who are making those decisions.”

While the USW is keeping workers in the dark and seeking some kind of deal to sell to its members, the orientation of Leo Gerard, the USW international president, is abundantly clear. In addition to serving on the President’s Advisory Committee on Trade Policy and Negotiations, Gerard also sits on the president’s corporate competitiveness committee. There, along with top executives, Gerard discusses how to slash costs in the energy and manufacturing industries. Collaborating closely with the Obama administration—which has announced it is “closely monitoring the situation”—the USW is desperately seeking to wrap up the strike before it can become a catalyst for other struggles by workers who are angered over declining wages and working conditions even as the stock market and corporate profits boom in the sixth year of a so-called economic recovery. Twenty thousand West Coast dockworkers, who have been working without a contract for nine months, are locked in a bitter conflict; Canadian Pacific railway workers have walked out; and tens of thousands of teachers, auto workers and other workers have contracts expiring this year.

Gerard is a staunch defender of the Democratic Party, and in particular President Obama, who has overseen the largest transfer of wealth from working-class Americans into the hands of the banks in history. From its defense of the corporate criminals at BP and Tesoro, to its “bailout” of the auto industry that involved cutting wages of new hires in half, to its shifting of health care and pension costs from employers onto the backs of workers, the Obama administration has stood unequivocally on the side of corporate profits over social need.

It is not possible for Gerard & Co. to defend the interests of workers while he colludes with the corporations and the government to slash labor costs, boost competitiveness and wage trade war on behalf of US corporate giants. His presence on these corporate-government boards is not some unfortunate “conflict of interest” however, but a confirmation that the USW is on the other side of the barricades in this class war.

To wage a genuine struggle, the conduct of the strike and negotiations must be taken out of the hands of this pro-company organization through the formation of rank-and-file strike committees to end the backroom maneuvers, expand the strike throughout the industry and link up the fight of oil workers with dockworkers, CP rail workers and other sections of the working class.

The economic nationalism of the USW and its subordination of the working class to the Democratic Party and the profit interests of big business must be rejected. Instead, the growing resistance to eroding living standards and working conditions, to social inequality, dictatorship and war, must take a political form by uniting every section of the working class in a common fight against both big-business parties and the capitalist system they defend.

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