Obama administration forces five-year agreement on West Coast dockworkers

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A tentative agreement was reached Friday between the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) that outlines terms of a five-year contract between West Coast dockworkers and their employers.

The agreement, which covers 20,000 workers and must be approved by ILWU members, was reached after the extraordinary intervention of the White House. Labor Secretary Thomas Perez flew to the West Coast late last week to give the ILWU its marching orders. Perez had threatened to move negotiations from San Francisco to Washington in order to force a settlement in the event that the union and PMA could not reach a deal by Friday.

The ILWU, which has close ties to the Democratic Party and the Obama administration, quickly capitulated and reached an agreement.

Also directly involved in last week's negotiations were Obama's billionaire Commerce Secretary Penny Pritzker and Los Angeles Mayor Eric Garcetti. They were joined by a growing chorus of Democratic Party politicians, business spokesmen and media representatives—all demanding that an agreement be reached as soon as possible, and that the White House use the Taft-Hartley Act to break any strike by dockworkers.

The agreement follows the PMA lockout of workers at 29 West Coast ports for six days earlier this month, resulting in thousands of dollars in lost wages for dockworkers. The PMA had earlier reduced night shifts for dock workers, which the employers organization claimed was a response to a worker slowdown on the ports. The PMA also shut off health benefits for dockworkers during this period.

While details of the agreement have yet to be released, the PMA announced a last and final offer in the days leading up to the agreement that included a miserly pay rise of 3 percent, along with an 11.1 percent increase in maximum pension benefits.

However, negotiations were mainly being used to push for even greater casualization of the port labor force, including the reintroduction of zero-hour contracts aimed at moving back toward the notorious "shape up" system, in which workers had no guaranteed hours.

The aim of the ILWU in the negotiations has been to keep a dwindling dues base of members as it collaborates in implementing measures demanded by the port companies. The union has also worked to keep the dockworkers isolated, including from the ongoing strike of oil refinery workers. In this, the ILWU has played a complementary role to that of the United Steelworkers (USW), which is involved in negotiations with the oil industry.

Port of Los Angeles Executive Director Gene Seroka expressed gratitude for the proposed agreement. "This will go a long way toward helping to move cargo efficiently through the nation's busiest container port. More than ever, we need labor and management working together with all our stakeholders to solve industry challenges," he said.

ILWU President Robert McEllrath and PMA President James McKenna released a joint statement, declaring their mutual collaboration. The two said they were "pleased that our ports can now resume full operations."

The ILWU has repeatedly caved in to the PMA's demands to eliminate the gains of dockworkers won over decades of struggle. In 2002, the ILWU explicitly gave employers the right to cut jobs, with the introduction of newer computer technologies. In 2008, it gave management the right to bypass the union hall

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on a case-by-case basis, paving the way for increasing casualization.

The union reached an agreement with the PMA right at the point when the latter's bargaining position was at its weakest. After complaints on Friday by the National Retail Federation that stoppages were costing the US economy approximately $2 billion a day, and that West Coast ports were undergoing "crisis level" congestion, PMA President McKenna declared, "The system can only take so much. At some point, this will collapse under its own weight."

The direct intervention of the White House in the dockworkers dispute underscores the nervousness within the ruling class over the growing anger among workers throughout the country—the product of record social inequality, stagnating wages and the unrelenting attack on job security and other social rights.

In addition to the oil refinery strike, which has effected numerous plants along the West Coast of the US, there is growing sentiment among teachers in Los Angeles, California for a struggle against deteriorating working conditions and the attack on public education.

In this context, the task of the unions is to isolate the working class, prevent a unified struggle and enforce the dictates of the companies, backed by the state and the Obama administration.

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