US oil workers strike spreads to more plants in Texas and Louisiana

Jerry White 23 February 2015

The strike by oil workers in the United States expanded over the weekend, with 1,350 workers walking out of a refinery in Port Arthur, Texas—the largest refinery in the US—and two other refineries and a petrochemical plant in Louisiana.

As the walkout enters its fourth week, 6,550 oil workers in California, Indiana, Ohio, Kentucky, Texas, Louisiana and Washington state are engaged in the largest oil walkout since 1980.

The expansion of the strike is the first since February 8. It takes place as the United Steelworkers (USW) is coming under sharp criticism from rank-and-file workers who are demanding an all-out strike by the 30,000 USW workers in the oil industry. (See: "Oil refinery workers denounce USW treachery, call for national strike")

From the beginning, the aim of the USW has been to contain the struggle of oil workers, limiting it to partial strikes that have had only a minimal impact on production. This has encouraged the oil giants to maintain their hard line against workers' demands for improved wages, safety conditions and limits on contract workers.

Last Thursday, lead industry bargainer Shell put forward another insulting offer—the seventh in a row. Well aware they could not sell such a deal to their members, USW negotiators rejected it.

Workers at the Port Arthur site, on the Gulf of Mexico about ninety miles east of Houston, walked out Friday at midnight. The 600,000 barrels per day refinery is run by Motiva Enterprises, a joint venture between Shell and Saudi Refinery, Inc. On Saturday at midnight workers at Motiva refineries in Convent and Norco, Louisiana and a Shell Chemical plant in Norco joined the strike.

On the eve of the expanded strike, Motiva President

and CEO Don Romasko issued a memo to the company's employees praising the supposed generosity of Shell and the rest of the oil industry. Romasko—who pocketed \$10 million in his four years at Tesoro before taking the leading position at Motiva—highlighted a 6.5 percent wage increase over three years (less than inflation) and a proposal to maintain, rather than increase, the 20-25 percent of health costs that workers already pay to keep their families insured.

Romasko also boasted that the industry planned to do a "workload balance assessment" to evaluate fatigue on the job—a meaningless gesture that the companies would circumvent to continue the widespread practice of 12-hour days and 14 consecutive days of work before a break. Any limits on contractors, Romasko declared, were "unreasonable," adding that the oil companies need to keep "flexibility in hiring to accommodate economic cycles and maintenance/turnaround schedules," according to a report in the New Orleans Times Picayune. These appeals did little to persuade workers. Oil workers at the two Louisiana plants had "overwhelmingly" voted to authorize a strike last year, according to a USW spokesman.

The widespread support for the walkout in Texas and Louisiana gives the lie to the claims that workers in the southern US states are conservative and unwilling to fight the corporations. Like their northern counterparts, they are more than willing to engage in a struggle to recoup losses after decades of eroding living standards and working conditions.

The major obstacle to developing such a fight are the trade unions, which are allied with the employers and government and have spent the last three-and-a-half decades suppressing every form of working class resistance to the corporate war against workers.

The expansion of the oil strike coincides with the capitulation of the International Longshore and Warehouse Union (ILWU) to President Obama's demands that the union cave in to ultimatums from the Pacific Maritime Association. The ILWU and the PMA announced that an agreement was reached over the weekend, which must be approved by dockworkers.

Desperate to prevent a political confrontation with the Obama administration, the ILWU is working to block a potential strike by 20,000 West Coast dockworkers that would immensely strengthen the fight of oil workers and other sections of workers, including Los Angeles teachers who have not had a raise in eight years.

While providing unlimited resources to bail out the banks and fuel the stock market bubble, the Obama administration has made the permanent lowering of wages—and the shifting of health care and pension costs from the employers and the government onto the backs of workers—the center of its economic policy.

A report issued by Obama's Council of Economic Advisors last week boasted that the US economy has recovered from the global financial crisis faster than other countries because it had dealt with "structural imbalances." This includes reducing government spending on public education and other social services at the fastest rate since World War II and sharply lowering expenditures on health care. Real wages, the report noted, have fallen by 0.3 percent since 2010. The proportion of salaried workers afforded overtime protection had fallen from 45 to 39 percent.

The picture of the future painted by the Obama administration was even more chilling. Stable jobs and employer-paid health care and pensions would be replaced by greater "labor market fluidity," reducing workers to the status of desperate migrant laborers without the slightest job protection. The administration also wants to remove "unnecessary" licensing and training, which it terms an "obstacle to work." This coincides with the cost-cutting drive by the oil industry to replace experienced workers with lower-wage contractors.

While workers have suffered through the longest period of wage stagnation since the Great Depression, the richest one percent of the population has swallowed up 95 percent of all income gains since 2009. The top five oil companies—Shell, ExxonMobil, Chevron, BP and ConocoPhillips—made \$90 billion in profits last

year and are squandering billions on stock buybacks and dividends for their wealthy investors.

The oil strike is the first of many struggles that mark the resurgence of open class conflict in the US.

To oppose the corporate giants, oil workers must break through the straitjacket of the USW and other procompany unions. The strike must be spread to every refinery, chemical plant and oil terminal in the industry. This requires the formation of rank-and-file strike committees, independent of and in opposition to the USW.

The fight for decent wages and safe working conditions brings workers into a direct political struggle with the Obama administration and both big business parties. The Democrats and Republicans will not shy from using militarized police and anti-terror laws to defend the interests of Big Oil and Wall Street.

Oil workers confront not only the intransigence of the oil companies. Behind the oil companies stands the entire ruling class in America, which is drunk with wealth and power and, having been protected from the collective resistance of the working class by the trade unions for decades, believes it can get away with anything. The ruling class is determined to make workers pay for the multi-trillion dollar bailout of the banks and the hundreds of billions of dollars spent on war and repression.

The intransigence of the corporate and financial elite must be met with an equal intransigence of workers—through the unification of their struggles in a powerful political movement aimed at breaking the grip of the financial aristocracy and reorganizing economic life, including the multinational energy conglomerates, to meet the needs of working people, not private profit.



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