

USW reaches sellout deal, moves to shut down oil workers' strike

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The United Steelworkers (USW) union announced Thursday that it had reached a tentative agreement with lead bargainer Royal Dutch Shell that would be the basis for a four-year labor agreement covering 30,000 workers in the US oil industry.

The deal was reached as the selective strike by 6,500 workers in seven states nears the end of its sixth week. The USW says picketing will continue until local union members ratify agreements presented to them by the rest of the industry.

Any agreement reached by the USW under the circumstances in which the strike has been waged can only be a miserable betrayal. The union has blocked the full mobilization of all oil workers, allowing the energy giants to maintain production while threatening to replace strikers with “relief workers.” It was not the companies that backed down, but the union that decided a rapid agreement was necessary to prevent the strike from getting out of control.

Predictably, the USW praised the agreement as a “victory,” with USW International President Leo W. Gerard saying, “There was no way we would have won vast improvements in safety and staffing” without the “solidarity of our membership.”

This is nothing but a crude lie. Workers struck and sacrificed weeks of pay and health insurance to end the impossibly long and unsafe work schedules in the dangerous industry and to recoup lost income from years of inadequate pay raises and huge out-of-pocket health costs. Workers fought for full-time jobs for the next generation and to reverse the industry’s drive to transform the workforce into casual at-will laborers, with no guaranteed hours, medical insurance or pensions.

None of this is achieved in the agreement. Instead it calls for “the immediate review of staffing and

workload assessments, with USW safety personnel involved at every facility,” according to a statement by the union. It also calls for “joint review on the local level of future, craft worker staffing-needs,” USW International Vice President Tom Conway said, and for “hiring plans to be developed in conjunction with recruitment and training programs.”

In other words, the “vast improvements in safety and staffing” turn out to be the proliferation of even more joint labor-management committees common in the auto, steel and other industries. These committees are dedicated to boosting the profits and “competitiveness” of the corporations, not protecting the safety and livelihoods of workers.

The corporatist committees established by the USW did nothing to stop disasters at BP’s Texas City and Tesoro’s Anacortes, Washington refineries in 2005 and 2010, or the daily subordination of workers’ safety and health to the profits of the oil bosses.

Instead, these committees are lucrative career paths for union executives.

“It’s a game that I’ve seen for decades in the union refinery business,” an oil worker at ExxonMobil’s Beaumont, Texas refinery told the *World Socialist Web Site*. “There are all kinds of joint health and safety committees, for auditing, operating and other things. It’s one acronym after another, and it’s all BS. Many of the union officials on the local level join these committees to make their own way.”

Adding insult to injury, the USW reportedly agreed to a meager 12 percent wage increase over four years, barely in line with inflation. Workers would receive a 2.5 raise in the first year, three percent in years two and three and 3.5 in the fourth year. It also gives the green light for the companies to continue to force workers to pay at least 20 percent of their health care expenses.

This is from an industry whose top five oil companies—ExxonMobil, Chevron, BP, Shell and ConocoPhillips—made \$90 billion last year and continues to pour billions into executive compensation and dividends and stock buybacks for its richest investors.

As details of the agreement emerge, there is little doubt that more concessions and accommodations are included.

From the very beginning, the USW apparatus was negotiating for its own interests, not those of rank-and-file workers. It only called the strike in an effort to dissipate widespread opposition to years of union-backed concessions, which led to the erosion of living standards and safety and work conditions. The union restricted the strike to only a small fraction of the workers it organizes in the industry, and then joined management's efforts to starve workers into submission, refusing to provide any significant aid from its \$350 million strike fund.

"On January 30, we figured it was going to be all 30,000 workers on strike, but the union only called out a few refineries," the Beaumont oil refinery worker said.

The USW rushed to reach a settlement—which has not even been confirmed by Shell as of this writing—because of increasing opposition from rank-and-file workers and growing demands for a nationwide walkout. The preparation of the sellout was signaled by the increasing campaign of harassment the USW directed against the *World Socialist Web Site*, which has fought for the expansion of the strike and for the broader mobilization of the working class in the US and internationally in defense of the oil workers.

The USW, which has intimate relations with the corporations and the Obama administration, is determined to wrap up the strike before it becomes the catalyst for a broader movement by the working class. Under conditions of booming corporate profits and stock markets, a breakthrough by oil workers would inspire the five million other workers facing contract renewals this year, including dockworkers, teachers, auto workers, telecommunication workers, US Post Office and others.

Such a movement could rapidly escalate into a political confrontation with the Obama administration, whose central economic policy has been to work with

the trade unions to slash wages, health care and pensions costs.

The USW—whose president Leo Gerard sits on Obama's corporate competitiveness board—was determined to prevent such a confrontation at all costs.

The USW will now pressure workers in local bargaining units to ratify the deal by making it clear that any local that fails to do so will be left alone to confront the full strength of the oil companies.

If the sacrifice and struggle of oil workers is not to lead to a miserable sellout, rank-and-file workers must begin now to organize a campaign to defeat the contracts on the local level and extend the strike nationally. Workers should elect action committees, controlled by the rank-and-file and completely independent of the pro-company stooges in the USW, take control of the struggle and to appeal to the widest sections of workers for support.

The industrial mobilization of the working class must be combined with the building of a political movement to defend the social rights of the workers—for decent, well-paid and safe jobs, for health care, education and culture—against the predatory policies of the ruling class and its political representatives in both big business parties. In opposition to social inequality created by capitalism, the working class must champion the socialist reorganization of the economy, including the nationalization of the oil monopolies under the democratic control of working people.

The *World Socialist Web Site* urges oil workers and their supporters to contact the WSWS to help coordinate and direct the struggle against this sellout agreement and to develop new organizations of industrial and political struggle.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact