Union shuts down last remaining oil refinery strike in the US

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Nearly five months after thousands of oil refinery workers in the United States went out on strike, the United Steelworkers (USW) union brought the struggle to an end Tuesday, pushing through a sellout agreement on 1,200 Marathon Petroleum workers in Galveston, Texas.

The Houston-area workers were the last to hold out against the demands of the global energy giants to maintain dangerously high levels of forced overtime, outsource jobs to lower-paid contractors and further erode the living standards of the industry's 30,000 USW-organized workers.

Galveston workers had previously voted down two contracts brought by USW Local 13-1, which included even more draconian terms than those accepted by the USW in the national pattern-setting agreement with Shell Oil in March. Marathon sought to unwind existing safety provisions enacted after a catastrophic 2005 explosion at the then-BP owned Galveston refinery that killed 15 workers and injured 170 others. The company also demanded that Marathon workers—already facing exhaustion from overwork—be on-call virtually around the clock and return to work within an hour of being called.

USW International and local officials would not reveal the details of the agreement, concluded under the supervision of a national mediator, saying only that a "compromise" had been reached.

The end of the strike by the Texas workers follows the sellout agreement reached by USW Local 1-364 at the refinery jointly owned by BP and Husky in Oregon, Ohio, just outside of Toledo. The USW called off a strike by 350 workers, which began on February 8, after accepting an "unconditional return to work" without a contract on May 27. Dan Voorhees, the USW District 1 international staff representative, called the abject surrender "a strategic decision on the part of the union."

Several days later, the union reached an agreement with BP Husky. Jeff Steigauf, the refinery's human resources manager, boasted that the company had achieved its goal of "an agreement that lays the groundwork for a competitive business, safe operations, good jobs, and economic opportunity for years to come."

Although the top five oil companies made $90 billion in profits in 2014, the USW accepted a pattern agreement with Shell that included a meager 12 percent wage increase over four years, which will be more than chewed up by large co-pays for health care costs. The agreement includes promises that the companies will hold "discussions" with the union on outsourcing, staffing levels and forced overtime.

Such assurances will do nothing to improve conditions for workers in an industry where fires or explosions occur every eight days on average. They will, however, provide more opportunities for USW officials who have long used positions on various "labor-management" bodies to climb the career ladder into corporate management.

The miserable outcome of this struggle was not inevitable. Oil refinery workers enjoyed widespread support for their fight. At the same time, there could hardly have been a more despised enemy than the multi-billion dollar oil conglomerates, which are widely identified with price gouging, engineering criminal wars in the Middle East and polluting the planet with impunity.

A strike that shut down the refinery segment of the industry would have had an immediate impact on the bottom line of the corporations. Facing a fall in crude prices, the oil giants are dependent on the refinery sector to maintain profits and payoffs to their Wall Street investors.

The strike was one sign of growing working class opposition in the US and internationally, including struggles by West Coast dockworkers, Los Angeles teachers, North Sea oil rig workers and others. The potential to expand the strike to non-union workers was underscored by the one-day wildcat strike of 1,200 contract workers at a Louisiana gas terminal, just days before the union reached an agreement with Shell.

With workers suffering the longest period of wage stagnation since the Great Depression—amid record corporate profits and share values—financial and political analysts repeatedly warned of a "wages push" that could undermine the Obama administration's economic strategy of reducing US workers to a cheap labor force.

The defeat of the strike was not due to any lack of self-sacrifice by workers who maintained picket lines for months, including during the freezing winter. The cause lies at the door of the USW and the AFL-CIO, which proved to be the biggest obstacles to unifying the working class.

The deliberate isolation and strangling of the strike was not just the result of the cowardice and corruption of the union bureaucracy, of which there is plenty. Above all, it flowed from the political alliance of the USW and the AFL-CIO with the Obama administration and the Democrats. This is the political form of the unions' absolute defense of the profit needs of American capitalism. This anti-working class alliance is highlighted by the fact that USW President Leo Gerard sits with chief executives from Dow Chemical, Alcoa, Caterpillar and other Fortune 500 companies on Obama's corporate competitiveness board.

From the beginning, the USW deliberately sabotaged the struggle, calling a token strike at only 15 of the 63 US refineries it organizes, involving 7,000, or less than a quarter, of USW members in the industry. Even as these refineries operated with strikebreakers, the USW ordered members to remain on the job at ExxonMobil, Chevron and other companies. To add insult to injury, the USW refused to provide benefits from its half-billion dollar strike fund, in order to starve strikers into submission.

With growing demands from workers for a nationwide strike, USW bargaining team member Jim Savage told BP workers in Whiting, Indiana that the union had to limit the walkout in order to "keep the government from interfering with this labor dispute." In other words, the chief concern of the USW and the AFL-CIO was to prevent the struggle from developing into a conflict with the Democratic Party and the Obama administration.

For its part, the White House urged the oil companies and the USW "to resolve their differences using the time-tested process of collective bargaining." Rather than circumventing the unions—and threatening to unleash a rebellion that could become the catalyst for a far wider movement of the working class against social inequality—Obama urged the oil executives to utilize the "time-tested" treachery of the USW to wear down, starve out and defeat the strike.

From the outset of the struggle, the Socialist Equality Party and the WSWS called on striking workers to establish rank-and-file action committees to expand the strike. "If this struggle is not to be isolated, strangled and led to defeat, oil workers must take matters into their own hands," we warned in a March 3 statement, "The way forward for oil workers."

While the unions intended to do everything to block a political confrontation with the Obama administration, the SEP wrote: "This is precisely what is required. A spokesman of the financial aristocracy, Obama has overseen the greatest transfer of wealth from the bottom to the top in American history." The only way to break dictatorial hold over society by the financial aristocracy, the SEP insisted, was "by mobilizing the working class in a powerful revolutionary movement that is aimed at putting political power in the hands of the vast majority of the population—the masses of working people whose labor in the refineries, factories, offices, schools and hospitals produce society's wealth."

The betrayal of the strike confirms these warnings. If future struggles are not to suffer the same fate, workers must draw the political lessons of the 2015 oil workers' strike and make the decision to build the Socialist Equality Party as the revolutionary leadership of the working class.

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