

As US Steel and ArcelorMittal step up attack

## USW isolates and divides steelworkers

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The United Steelworkers (USW), the union representing steelworkers at US Steel, ArcelorMittal, Cliffs Natural Resources, Allegheny Technologies and Sherwin Alumina, is working to divide, isolate and ultimately betray those workers while seeking to prove itself a useful tool in lowering production costs for the companies.

Four hundred fifty steelworkers at Sherwin Alumina in Gregory, Texas have been locked out of their jobs for over a year. Another 2,200 steelworkers at 13 Allegheny Technologies mills in six states have been locked out since August 15.

The contract for 30,000 steelworkers at the country's largest steelmakers, US Steel and ArcelorMittal, expired September 1 and the USW has ordered them to remain on the job without a contract. Another 2,600 iron ore miners working for Cliffs Natural Resources in Michigan and Minnesota were also ordered to remain on the job after their contracts expired on October 1, 2015.

In each of these cases the companies are seeking massive concessions in pensions and health care along with work rule changes that would allow the companies to contract out thousands more jobs and turn existing workers into casual labor.

US Steel is in the process of laying off thousands of workers throughout the country. Layoffs have begun at US Steel's Fairfield Works in Fairfield, Alabama. As many as 1,600 workers could lose their jobs at the Birmingham area mill when the company closes its blast furnace. Local officials have approved a \$14 million tax credit for the company on the promise that they will build an electric arc furnace. Even if US Steel follows through—something very unlikely considering the massive downturn in steel prices and demand—300 workers at most will be employed.

Earlier this month, US Steel announced plans to close its Granite City Works in Illinois, threatening the jobs of over 2,000 workers. Earlier this year, the company idled its mill in Lorain, Ohio, throwing 700 steelworkers out of work.

While the specifics of each company's concession demands are somewhat different, the companies are seeking massive concessions in health care, pensions and work rules. The cuts in health care alone would cost workers \$6,000 to \$10,000 per year. The companies are also seeking to move workers from defined pension benefits to a 401(k) plan.

Work rule changes would allow the companies to contract out thousands of jobs while eliminating overtime pay. At ATI, the company is seeking to end the 8-hour workday, turning steelworkers into virtual casual laborers.

Driving this assault on workers' living standards is the global crisis of the capitalist system, which has not recovered from the financial meltdown of 2008. Conditions have become especially acute over the past two years, as the slowdown of economic growth in China and falling oil prices have led to a massive drop in demand for steel. Prices for steel have fallen roughly in half. No sector of steel is exempt, including flat rolled products, tubular and specialty steel.

The Obama administration's response to the financial crisis was to funnel trillions of dollars to the very people and institutions that caused the crisis—the bankers and Wall Street—while attacking the working class. The auto industry was used as the model for making manufacturing competitive through the permanent slashing of wages and benefits. As in the auto industry, the steel bosses are using Obama's Cadillac Tax on supposedly "high cost" medical benefits, which goes into affect in 2018, to collaborate

with the unions to force workers into inferior health plans and shift costs from the employers to workers.

In the face of this assault, steelworkers need to realize they are fighting two enemies: First, the companies, backed by the government, which are seeking to push the burden of the crisis in steel onto their backs; and, second, the United Steelworkers, which is a second layer of management for the corporations.

The United Steelworkers is not negotiating for the workers, but rather in the interests of a highly paid bureaucracy, which is seeking to prove its usefulness to the companies by policing its members and imposing the concessions and layoffs that the companies seek.

This is not the first time that the USW worked to save the companies at the expense of the workers. During the 1980s and 1990s, the USW prevented the mobilization of workers against the destruction of hundreds of thousands of jobs as mill after mill was closed down. Entire cities—including Pittsburgh, Pennsylvania; Youngstown and Cleveland, Ohio; Buffalo, New York; Fairfield, Alabama; and Gary Indiana, to name only a few—were decimated by these shutdowns.

As entire companies such as LTV, Republic and Bethlehem went bankrupt, the USW worked to ensure that there was no struggle to defend workers, as hundreds of thousands of retired steelworkers lost their health care and had their pensions drastically cut. At the same time, the USW worked closely with Wall Street investors to restructure the industry and destroy jobs, wages and pensions of workers, while preserving the financial interests of the businessmen who run the USW.

During this time, the USW worked to divert the anger and struggle of steelworkers into chauvinist campaigns against foreign steelworkers. Rather than unite steelworkers throughout the world against the capitalist system, which is responsible for the attack on workers, the USW sought to make the companies competitive through helping them lower production costs. This meant slashing workers' jobs and living standards and allowing the companies to destroy the lives of retired workers who they disparagingly referred to as "legacy costs."

Today the USW continues to play the same role, diverting workers from the real source of the attack on their conditions and blaming the layoffs and

concessions on foreign steel. The USW has made their central campaign the winning of support against the passage of the Trans-Pacific Partnership (TPP).

The USW—whose president Leo Gerard sits on Obama's corporate competitiveness board—is working to isolate the 2,200 workers at ATI and the 450 workers at Sherwin Alumina. Gerard & Co. hope the defeat of these workers will make it easier for them to push through sell-out contracts at US Steel and ArcelorMittal. The explicit threat will be: "Accept the concessions or lose your job."

Steelworkers in the United Kingdom, Australia, New Zealand and throughout the world are facing the same attack. In July, Tata Steel Europe announced 720 job cuts in UK-based facilities in South Yorkshire and West Midlands. In August, the Australian company BlueScope Steel demanded 500 job cuts at its Port Kembla plant in New South Wales, threatening to close the plant entirely and lay off its entire 2,500-strong workforce. In New Zealand, BlueScope Steel has threatened to entirely shut down its subsidiary New Zealand Steel.

In each of these cases, the unions, like the United Steelworkers in the US, are working with management and promoting national chauvinism to divide and weaken workers in the face of a common attack by the global steel companies.

The defense of living standards and jobs requires that workers draw conclusions from this long list of betrayals. Workers need new organizations of struggle that unite steelworkers and all workers internationally. Such organizations must spearhead industrial counter-offensive by steelworkers and lay the basis for a political fight by the working class as a whole for socialist policies, including putting steel and all basic industries under the democratic control and collective ownership of the workers.



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