Chicago hotel strike pits workers against Democrats' billionaire candidate for governor

Jerry White 12 September 2018

The strike by over 5,000 Chicago hotel workers spread to 26 locations Tuesday, as hundreds of workers walked off the job at the Cambria Chicago Magnificent Mile hotel, just north of downtown. Thousands of housekeepers, bellhops, servers, cooks and other hospitality workers walked out across the city last Friday to demand increased wages, year-round health benefits and reduced workloads.

Labor agreements covering 6,000 members of the UNITE HERE in Chicago expired on August 31, along with thousands of others at major hotels across the country. On Tuesday, hotel workers in Hawaii voted by 95 percent to approve strike action at six Marriott-operated hotels in Honolulu and on Maui. Hospitality workers at Marriott, which became the world's largest hotel chain after its \$13 billion acquisition of Starwood Hotels & Resorts Worldwide, will take strike votes today in Boston, September 13 in San Francisco and San Jose, and September 14 in Seattle.

The strikes pit some of the most exploited sections of the working class, including large numbers of Latin American and Asian immigrant workers earning near poverty wages, against some of the most powerful and politically connected multinational businesses. This includes Marriott—which owns 30 brands and more than 5,800 properties in more than 110 countries—and Hyatt Hotels Corporation, which has 777 properties in 54 countries.

Chicago hotels raked in more than \$2 billion in revenue in 2017, with more than 55 million tourists visiting the city. Occupancy at the downtown hotels—where a stay in a five-star room can go for anywhere between \$440 and \$1,500 a night—reached 90 percent.

In addition to Marriott properties, the strikers are picketing two out of three of the hotels owned by Hyatt. This is particularly significant since the hotel chain is owned by the Chicago-based Pritzker family, ranked by Forbes as America's seventh richest family, with a net worth of \$29 billion. In addition to their vast wealth and business empire,

the Pritzkers exert major influence in the Democratic Party, from the machine politics in Chicago and Illinois, all the way up to defense and national security strategy.

Hyatt Chairman and CEO Thomas Pritzker, whose net worth is \$4.2 billion, is the former chairman of the Center for Strategic and International Studies, a major think tank for US imperialism, and Northwest America Western Asia Holdings. The latter is an investment firm Pritzker founded with a former Pentagon official in 2011 to exploit profit opportunities in Iraq's oil and shipping industries under the US occupation.

Penny Pritzker, one of the heirs to the Hyatt fortune with a net worth of \$2.5 billion, was picked by President Obama as US Secretary of Commerce. Another heir, JB Pritzker, a venture capitalist with a net worth of \$3.3 billion, was the national co-chair of the Hillary Clinton presidential campaign in 2008. He is the Democratic Party's candidate for governor of Illinois in the November elections.

Given the candidate's family connections to Hyatt, a local ABC reporter asked the Pritzker for Governor campaign for its comments on the ongoing strike. "JB stands with the labor movement across Illinois in the fight for better wages, benefits, and working conditions," the campaign cynically declared.

The 1995 retirement of Jay Pritzker, co-founder and president of Hyatt, led to a nasty feud over the company's assets, leading several family members, including JB, to reportedly stay away from management control. Nevertheless, all the Pritzkers, including the Democratic candidate for Illinois, have large holdings in the company and profit handsomely from the exploitation of hotel workers in Chicago and around the world.

While restaurant and cocktail servers at the Chicago Hyatt Regency can make as little as \$9 an hour and a housekeeper as little as \$14 an hour, the company spent nearly \$600 million in July on a stock buyback program to drive up the value of its shares for Hyatt's richest investors, including

the Pritzker clan. According to its second quarter financial statement, "The Company expects to return approximately \$800 million to shareholders, compared to a previous expectation of at least \$700 million, through a combination of share repurchases and cash dividends on its common stock."

The Pritzker family has waged a long and bitter war against hotel workers. During repeated strikes between 2009 and 2015, hotel workers were subjected to harassment and intimidation.

The company has been found repeatedly in violation of restrictions on contracting out for cheaper labor. In January, the National Labor Relations Board filed a complaint because Hyatt refused to respond to multiple accusations that it was using facial recognition technology, in violation of state law, to spy on hotel workers at the Chicago Hyatt Regency.

In the summer of 2013, Hyatt turned heat lamps, usually used to warm guests in the winter time, on striking workers to break up a picket line. "They put the heat lamps on us, like we were nothing," Linda Long, a worker at the Hyatt kitchen, told the local media. "If the heat didn't kill us, the heat lamps would."

Nearly 30 unions have backed Pritzker's election campaign, including the Chicago Federation of Labor, the American Federation of State, County and Municipal Employees (AFSCME) and the Illinois Federation of Teachers. If the UNITE HERE union has not officially endorsed the billionaire candidate's campaign bid, it's only because this would further discredit the union in the eyes of workers.

UNITE HERE is deeply embedded in the Democratic Party and in 2015 endorsed the reelection campaign of the widely hated Mayor Rahm Emanuel, known among workers as "Mayor 1 Percent" for defending the city's corporate and financial elite while shutting public schools, overseeing the decay of neighborhoods and social services and covering up the brutality of the notorious Chicago Police Department.

There is little doubt that behind the scenes UNITE HERE and the unions are working diligently with the Democrats to reach a rotten deal and rapidly shut down the strike. This is what happened in 2015, when, after nearly six-years of impotent strikes, protests and boycotts, UNITE HERE signed an agreement with Hyatt that maintained poverty level wages and dangerous working conditions but made it easier for the union to gain access to workers in non-union locations and collect union dues.

In the run up to the November mid-term elections, the working class is coming into increasingly direct conflict with the Democratic Party, as well as the Trump administration. Earlier this year, teachers rebelled against the

unions and waged a series of statewide walkouts in West Virginia, Oklahoma and Arizona, where the grip of the Democratic Party and the unions is weak.

As school began this month, teachers in the state of Washington—which is run by a Democratic governor and Democratic controlled state legislature—have waged as series of strikes after years in which teacher salaries and public education have been undermined by Democratic-backed tax cuts to corporations like Boeing and Amazon. Teachers in Democratic-controlled Los Angeles have voted by 98 percent to strike.

After decades of deindustrialization and wage-cutting, aided and abetted by the unions, popular anger over social inequality in Chicago and around the country is reaching a boiling point. The walkout by hotel workers and the growing number of strikes in the US, which itself is part of the escalation of class conflict around the world, points to the mood of militancy and anti-capitalist sentiment that is growing among workers and youth.

Workers cannot allow their struggles to be strangled by the unions, which are falsely claiming the election of Democrats in November will improve conditions. Instead hotel workers in Chicago should form independent rank-and-file strike committees to organize mass picketing against the hotel corporations' strikebreaking operations and appeal for common action from broader sections of workers engaged in similar struggles, including teachers, steelworkers at US Steel and ArcelorMittal, UPS, US Postal Service and Amazon workers.

In every factory and workplace, similar committees, independent of the unions and both big business parties, should be elected to prepare and organize a general strike, which will bring workers into conflict with the Democratic and Republican parties and the entire capitalist system.



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