Backups at US West Coast ports cause disruptions to trade network, speedups for workers

Claude Delphian 1 August 2021

Record high numbers of imports from Asia have choked the US West Coast supply chain, causing a backlog of ships unable to dock at the Seattle and Tacoma ports in Washington state along with major ports in California. The increased strain on the seaport system is intensifying efforts to restructure the industry to make US trade more competitive in the world economy and thus place a greater burden upon longshoremen and other logistics workers.

Due to the lack of space in the Seattle and Tacoma ports since the spring, container ships have anchored in unusual spots of the Puget Sound region, such as off the coast of Whidbey Island. The U.S. Coast Guard helped to redirect these ships as they waited days or even weeks to unload cargo. There are so many ships waiting to be offloaded that there are not any free and empty containers for new freight in some cases. Backups in the rail system to the Midwest can mean that ships have to wait five to nine days before they can offload, which in turn causes backups in trucking near the port.

Tom Bellerud, the chief operations officer of the Northwest Seaport Alliance (NWSA), said, "We are seeing a historic surge of cargo volume coming into our ports. The terminals are having a difficult time keeping up with processing all the cargo off these vessels fast enough."

With over 90 percent of the world's trade being transported by ship or plane, NWSA is North America's fourth largest container gateway, behind Los Angeles, Long Beach and New York-New Jersey. The NWSA handled over 1 million twenty-foot equivalent units in 2021 so far, making a 14.1 percent increase compared to last year. Imports increased 26.5 percent while exports dropped 12.6 percent. Like other West Coast ports, NWSA's top international trading partners include China, Japan, South Korea, Vietnam, Taiwan, Thailand, Indonesia, the Philippines, Malaysia, Australia and India.

The backups being experienced in the Pacific Northwest are also facing the West Coast as a whole. In June, the Port of Los Angeles saw about half of arriving ships go straight to anchor to sit for an average of five days before the terminal had space to unload them. Port of LA Executive Director Gene Seroka said in a July 14 press conference that workers have processed

about 50 percent more cargo during the last year when compared to June 2019 numbers. Seroka also said: "This is a source of significant concern across the supply chain, and with warehouses filled to the rafters, street dwell time ran as high as eight days in June. The bottom line on this is the continued surge has strained all nodes of the US supply chain, and we must change these trends."

The Port of Long Beach showed similar signs of supply chain strain despite some of its ships being delayed until July due to a COVID-19 outbreak at the Yantian port in China. Imports have increased so much that The Port of Long Beach sent 36 percent more empty containers back across the ocean compared to last year. Demand for household products, electronics, and other goods rose 38.5 percent in the first half of 2021 compared to the first half of 2020.

At the Port of Oakland, ships would generally go straight to berth to be unloaded prior to the pandemic. Now ever larger ships with ever more containers typically wait a week anchored in San Francisco Bay before they can be unloaded. Whereas container ships would never anchor before, it is now typical for ships to take up all six to eight anchorages in San Francisco Bay, while many more ships have to idle outside of the Golden Gate Bridge in water too deep to anchor.

Lars Jensen, who analyzes the industry for Vespucci Maritime, says the container shipping industry has not ever seen this scale of turmoil before since the first ship carrying these kinds of containers set sail from Newark, New Jersey in 1956. This turmoil in turn is causing shipping prices and delays to skyrocket.

The rapid rise in imports was triggered by the pandemic, which has caused Americans to rely more upon online shopping for consumer goods and health equipment like face masks and cleaning supplies, much of which is manufactured in East Asia.

Over the last few decades, manufactured goods from Asia have become critical to the entire world economy, fueled by the global integration of productive processes and trade. Electronics, toys, clothes, and other goods are imported from Asia, particularly China. In turn, China imports aircraft, soybeans, motor vehicles, and microchips from the United

States.

According to data released in June, China's exports rose 28 percent from one year earlier and imports shot up by 51 percent, marking what industry analysts call a great economic recovery from the pandemic as the ruling class seeks a "return to normal." Exported goods from the 10-nation Association of Southeast Asian Nations (ASEAN) followed these trends, growing by nearly 54 percent from a year earlier to \$33.1 billion.

Globalization of production and trade, which unifies the working class into an international force producing all of society's resources and goods, contrasts sharply with the nationalist aggression against China led by the United States. The American ruling class is concerned about the economic rise of China disrupting the unilateral power that US imperialism enjoyed since the fall of the Soviet Union, and thus causing the economic position of the US to significantly weaken after a decades-long decline. These economic shifts underlay the intensification of geopolitical and military tensions between the United States and China.

At the same time as the US ruling class as a whole seeks to defend its economic status, all the privately owned ports within the United States are competing with one another for a greater share of international imports.

The Northwest Seaport Alliance was founded in 2015 in order to coordinate the ports of Seattle and nearby Tacoma as a means to join forces to compete with Southern California docks, which together process over one-fifth of all US imports. It is the first such joining of ports into partnership in North American history. Along with regional consolidation, ports have been restructuring as part of their fierce regional competition by increasing automation and cutting costs, necessarily causing the heightened exploitation of port workers and the restructuring of labor relations.

Restructuring the ports along the lines of the profit motive are to the detriment of port workers. The Port of Los Angeles reduced its labor force at its TraPac facility by 40 to 50 percent, or about 160-200 jobs, once its semi-automated TraPac facility came online.

Extraordinary pressure is being brought to bear on port workers to ramp up their productivity to move all the freight faster as anchored and idling vessels do not make money, while fuel is being burned and crew is getting paid. While shipping volumes skyrocketed, workers had a harder time processing all the cargo due to understaffing and necessary COVID-19 safety guidelines like social distancing.

Far from opposing these conditions, the International Longshore and Warehouse Union (ILWU) supports longer working hours for its members at ports and other points along the supply chain to make up for the backlog. Frank Ponce De Leon, coast committeeman at the ILWU coast longshore division, said, "Opening the ports around the clock would go a long way to easing the congestion and keep cargo flowing."

This would have broader ramifications for workers down the supply chain as they also would be pressured to work more hours. "We also note that simply expanding gate hours will have no benefit if the next points out into the supply chain are closed for the night or weekend," De Leon added.

In recent years, the International Longshore and Warehouse Union (ILWU) has focused attention on resistance to automation and elimination of jobs, as well as support of the Democratic Party and "social justice." However, for all its radical talk and attempt to equate the organization today with the militant struggles of port workers in the twentieth century, the ILWU has collaborated with management to keep workers productivity high to boost corporate profit at the expense of workers' safety.

Cameron Williams, an ILWU official, said, "The pandemic has exacerbated longstanding problems with the nation's supply chain, not just at the ports but in the warehouses, distribution centers, railroads, and other places that need to run smoothly in order for longshore workers to move cargo off of the ships." He continued, "We continue to work hard and break records month after month to clear the cargo as quickly as the supply chain allows."

As a result of the deadly pandemic, in which the ruling class and unions forced workers into unsafe conditions and allowed the virus to spread, 17 members of ILWU lost their lives to COVID-19 and thousands more were infected. The most recent health and safety issues join the steady erosion of job security and benefits in successive ILWU contracts in the decades since the 1971 port strike. While the older generation of longshoremen enjoys the gains won from bitter struggles in an earlier period, new hires start at bottom tier with wages just above minimum wage.

The exploitation of port workers during this pandemic and the logistical problems related to it show that port management and the trade unions like the ILWU cannot be trusted to look out for the interests of workers. The interconnectedness of the ports and shipping industry with all other spheres of modern life means that the working class is more powerful than ever, but this strength can only be mobilized through a struggle united on an international basis.

We call on port, longshore, warehouse and logistics workers to form rank-and-file committees free of the union bureaucracy and unite with the International Workers Alliance of Rank-and-File Committees (IWA-RFC) to fight for their collective interests and rights against the ruling class.



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