Deere & Company, the largest agriculture machinery company in the world, released its first quarter financial results on February 18, reporting nearly $1 billion in net income and increased sales.

The company’s global net sales and revenues increased by 5 percent to $9.569 billion compared to the same period a year ago. Net sales of equipment operations also increased to $8.531 billion for the quarter, compared to $8.051 billion in 2021.

Deere’s net income, i.e., profits from sales minus expenses, operations and payrolls, were $902 million, or $2.92 per share. The figures were a decrease when compared to net income of $1.224 billion, or $3.87 per share, for the first quarter last year.

The company attributed its decline in net income primarily to supply chain issues caused by the pandemic and last year’s bitter five-week strike by 10,000 workers across the Midwest.

John C. May, chairman and chief executive officer of Deere, addressing the first quarter company results, said, “Deere’s performance in the first quarter was impressive given production issues surrounding the delayed ratification of our UAW [United Auto Workers] contract in late November as well as persistent challenges posed by the supply chain and pandemic.”

Despite the decline, Deere is insistent it will reap increased profits in the months and years ahead. “Looking ahead, we expect demand for farm and construction equipment to continue benefiting from positive fundamentals, including favorable crop prices, economic growth, and increased investment in infrastructure,” May stated.

Its net income forecast for the 2022 fiscal year increased to an estimated $6.7 billion and $7.1 billion, up from its previous forecast of $6.5 billion to $7.0 billion. Any of these amounts would easily exceed the company’s previous record, set in 2021 at $5.9 billion (itself a massive increase from the earlier high point of $3.5 billion set in 2013).

These continued gargantuan profits have meant a bonanza for the company’s executives and shareholders. Deere CEO May received a total compensation package of $19.9 million in 2021, compared to $15.6 million in 2020. Meanwhile, shareholders have seen their payouts double in 10 years, with Deere increasing its shareholder dividend of $0.51 in 2012 to $1.06 per share today.

Once again Deere’s earnings and further projected increases in profit confirm that management and the union lied to workers when they told them there was “no money” to meet workers’ demands for substantial wage increases, the restoration of retiree health care, and other major improvements to their working conditions.

On October 14, 2021, Deere workers walked out, launching their first strike in 35 years after rejecting by more than 90 percent a tentative agreement backed by the UAW. After workers voted down a second tentative agreement between the company and the union on November 2, the media and the company launched a propaganda blitz to paint workers as greedy and claim their demands were unachievable.

The UAW joined this chorus against workers and warned them that they would be fired and replaced, the strike would fail and the offer on the table—which they absurdly presented as “groundbreaking”—was the best there would be.

From early on in the struggle, workers sought to overcome the collusion between Deere and the UAW and break through their information blackout, forming the Deere Workers Rank-and-File Committee. The
statements of the committee—analyzing the company-UAW maneuvers, countering their propaganda and appealing for the mobilization of workers in the US and internationally in support of the strike—were widely read by workers, playing the decisive role in solidifying their opposition.

Less than two weeks after workers rejected the second contract, the UAW announced that there would be a vote on the same deal, with only “modest modifications.”

The union did everything it could to harass and intimidate workers into accepting the contract. Phil Gonterman, the UAW elections chair at Local 281 in Davenport, threatened workers who were planning to vote no with retaliation, while officials in Waterloo scorned workers planning to vote no, calling them “losers,” saying their votes “wouldn’t matter anyway.”

Under widespread voter intimidation and suspicions of ballot stuffing, the UAW announced that the contract was ratified in November 2021, with the union declaring 61 percent voting in favor. Despite the union’s efforts to coerce workers into accepting the deal, however, there remained broad opposition and willingness to fight, with the largest local in Waterloo again voting against the final agreement.

In an interview published Saturday with the Waterloo, Iowa-based Courier, Ron McInroy, UAW’s 17-state Region 4 director in Ottawa, Illinois, gushed over the agreement while covering up the union’s betrayal.

“All in all, if you look at the contract, if it is not the best, it’s one of the best, in all of the manufacturing world, in the United States anyway,” McInroy said. “The agreement today puts Deere back in the category where, it’s not just a job, it’s a career. ... Plus, it’s all tied to the success of the company.”

Tim Frickson, president of UAW Local 838 in Waterloo, said, “I believe what we brought back, and what we have in place now, has separated Deere from some of the other employers in the area,” adding, “I believe it makes Deere the premier place to come and work in the Cedar Valley again—where it used to be back in the ‘70s and ‘80s.”

Such words demonstrate the vast chasm that exists between the rhetoric and interests of the UAW bureaucracy and the reality confronting rank-and-file workers.

A Deere worker in Ottumwa, Iowa, who had been on disability leave until recently, said, “Deere still refuses to pay the $2,000 per year as per the contract to employees on Deere Long-Term Disability (over one year). They claim the union knew this by email before ratification.

“From what I understand, employees still haven’t received any printed contract books, as usual. Delay at the printer is the stated reason. Many say they [Deere and the UAW] still hadn’t agreed to all issues a few weeks ago, perhaps the real reason?”

A worker from the Harvester Works plant in East Moline, Illinois, added, “Things are slow. We can’t get parts in. It’s actually worse than last year in that sense.

“Now 45 percent of our workforce just at Harvester is new hires. They are having hiring events constantly. We have no say, no pull.”

The claims that there was “no money” to meet workers’ demands during the contract struggle were “all lies,” she said.

The 2021 Deere strike, including its betrayal by the UAW, must be analyzed as an important battle and strategic experience by all workers, and lessons must be drawn. For workers to fight and win their needs, they must take the initiative and build the Deere Workers Rank-and-File Committee and expand rank-and-file committees throughout every plant and warehouse, connecting with workers at Volvo, Mack, Dana, BNSF, CSX and in the auto industry, in the US and internationally, in order to prepare a mass movement to fight for and secure workers’ rights and interests.

To learn more about joining the John Deere Workers Rank-and-File Committee and starting a committee at your workplace, Deere workers can email deerewrfc@gmail.com or text (484) 514-9797.

To contact the WSWS and the Socialist Equality Party visit: wsws.org/contact