

# Backing Biden's war drive, USW boasts its deal for 30,000 oil workers "does not add to inflationary pressures"

**Jerry White**  
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*Are you an oil worker? Contact us to tell us about opposition in your refinery or petrochemical plant to the USW-backed agreement.*

The United Steelworkers leadership is boasting that it has imposed a "responsible contract" on 30,000 oil refinery and petrochemical workers at Marathon, Chevron and other energy giants, which does not "add to price gouging and inflationary pressures." The statement was included in a war-mongering press release Tuesday by USW President Tom Conway, who called on US oil companies to stop refining imported Russian crude oil.

The USW-backed labor agreement, which includes a 2.5 percent raise in 2022 and an average annual increase of 3 percent over the life of the four-year agreement, imposes the full weight of runaway inflation and price-gouging onto the backs of oil workers and their families. With the annual inflation rate of 7.5 percent—a four-decade high—sure to be surpassed this month, the contract will result in a deep cut in real wages on workers.

At the same time, as refineries ramp up production in line with Biden's military escalation against Russia, the agreement will give the companies a green light to drastically increase the exploitation of refinery workers. These workers already routinely work 12-hour split shifts, depriving them of sleep and family time and drastically increasing the danger of industrial accidents.

After decades of eroding living standards and working conditions, rank-and-file oil workers were determined to win substantial gains when their contract expired on February 1. But the USW ignored their overwhelming vote to authorize a strike and kept workers on the job at 200 units for more than three weeks. After insisting the union and Marathon, the lead negotiator for the oil industry, were miles apart and talks had basically broken down, on February 25, the day after the invasion of Ukraine began, Conway suddenly announced an agreement.

The *World Socialist Web Site* revealed that three days before the agreement was announced, Conway took part in a virtual meeting with US President Biden, Energy Secretary Jennifer

Granholm and Deputy Secretary of Defense Kathleen Hicks. Though the White House has kept the content of its February 22 discussion with Conway secret, the US president no doubt told his loyal union stooge to immediately sign a deal to prevent a walkout, which could shut down two-thirds of the nation's refining capacity.

The USW then rushed through a snap vote, releasing a five-page "highlights" of the deal and giving workers only a few days to study and discuss it. At so-called "informational" meetings, local union officials berated workers, telling them if they voted down the national agreement, the companies would tear up their local agreements and the USW would abandon them if they struck, just as they did the ExxonMobil workers in Beaumont, Texas, who were locked out for 10 months.

But the intimidation has only made workers angrier. Several locals have already voted down the contract and others are reportedly still voting, with workers saying they plan to vote "No" regardless of the union's intimidation tactics. But the USW has not released any information on its website, Facebook page or text updates about the vote of the Marathon workers on the national pattern agreement or any other section of workers. This reporter phoned and emailed the USW Director of Communications at the union's Pittsburgh headquarters for information on the results of the vote, but she has not responded.

A worker at the Phillips 66 refinery in Billings, Montana, told the WSWS, "We voted last week, and we defeated the national agreement, while the local deal passed. Now we are being told to vote again on the national deal this Thursday. If it doesn't get passed this time, the USW is threatening to throw us under the bus like the Beaumont workers. What is the point in voting if they already decided to ram it down our throats? This was worked out months ago. The company didn't even lift a finger to prepare for a strike because the USW told them there wouldn't be one. The union didn't get the results they wanted so they are making us vote again.

"I pay quite a bit in union dues. The USW is nothing but a money-making machine. The contract they pushed is no different from the one the union rejected the first time. We are

already short-handed at the refinery, and they are going to push even more overtime to make profits. At the same time, gas hit \$4 here in Montana yesterday.”

A worker at the BP refinery in Whiting, Indiana, said, “We haven’t voted on the contract here yet. The company is trying to increase the strike notice from 24 hours to 120 days. The guys are saying, ‘Hell no,’ we should go on strike now. With all the bad weather we had, the companies were where we wanted them, but the USW kept us at work.

“I’ve spoken to a veteran worker, and he said this is the most bizarre negotiations he has ever seen and even worse than the 2015 strike. The union is invisible, like a ghost. Nobody is being told anything. There are no updates. Then we get this gut-punch contract.

“It is terrible what is going on in Ukraine. But the oil companies are making a killing and will be able to print money if they can push Russia out of the markets. The administration is dead set against us going on strike. I’m paying \$5 a gallon, and they are blaming the workers, not the companies.

“Management is saying ‘keep focused on task,’ we want the pipes rattling and to get record production. But this is an old refinery. Rockefeller came here. You can’t safely run these refineries at this level, but all they care about is the money. We’re essential workers until we’re not. It’s capitalism. People are starting to see it. The companies made super-profits during the pandemic. Now they want us to think that the problems are all over there, with Russia. It’s to divert people because we have oligarchs with super-yachts like Bezos right here. They made billions while nearly a million people died from COVID.”

“I’m not sure what is going on,” a worker at Marathon’s Galveston Bay Refinery in Texas, told the WSWS. “Several workers asked our union reps, and they said they haven’t heard anything from above them yet.

“My initial suspicion months ago was that Marathon was offering their sites these local agreement extensions, contingent upon national ratification, [in] an effort to ensure a large portion of the voting membership would agree with almost anything in the national deal. Any site that got two separate votes was more likely to not approve the national package,” he said, adding, “I guess they’re saying they don’t plan on negotiating any more regardless of the outcome of the vote.”

He continued, “I don’t know if the oil companies ever made as much money as they are making now.” Referring to the union’s call to ban Russian oil, he said, “The USW, like the oil companies, will make a calculated decision to support whichever side of the conflict will be most profitable.”

In his statement Tuesday calling for the Russian oil boycott, Conway wrote: “Our union recently concluded labor contract negotiations through our National Oil Bargaining Program (NOBP) with the domestic oil industry covering the vast majority of U.S.-based oil refining. We negotiated a responsible contract that does not add to price gouging or inflationary

pressures.” He added, “We now urge our employers to avoid the impulse to use this crisis to increase gasoline and diesel prices at the pump, adding to current price spikes.”

This is a fraud. Even before the crisis hit global energy markets, the multinational oil and gas corporations were reaping billions in profits from price gouging, while pouring \$38 billion into stock buyback programs to boost the fortunes of their top shareholders and executives. Since the invasion, the companies have operated as naked war profiteers. Crude oil prices hit \$130 a barrel, and gasoline reached a record national average of \$4.17 a gallon on Tuesday, after President Biden announced the banning of Russian oil imports into the US.

Big Oil and energy speculators are now warming their hands over the potential of pushing Russia out of world markets, or better yet, seizing the country’s massive oil and gas reserves through a US-backed regime change operation.

“We must act now to begin replacing Russian oil in our systems and plan for long-term alternatives for our refineries, including increasing efforts to secure domestic crude oil and importing oil from other global sources,” Conway says.

Conway feigns concern for the Ukrainian people, but this is another fraud. The US has used Ukraine to draw Putin into launching this reactionary invasion and is pouring billions of dollars of weapons into the country in hopes of tying Russia up in a drawn out, bloody war. Former Secretaries of State Madeleine Albright and Hillary Clinton have pointed to the US arming of Islamic fundamentalists against the Soviet Union in the 1980s as the model for Ukraine, although Clinton acknowledged there had been “unintended consequences” of this strategy—that is, the emergence of not only the Taliban but also Al Qaeda, the September 11 terror attacks and the 20-year “War on Terror” which reduced much of the Middle East to rubble.

The United Steelworkers issued no call for punitive measures against ExxonMobil, BP or Shell after the US seized the oilfields during the 2003 invasion of Iraq. On the contrary, the USW and the AFL-CIO gave their full-throated support for that war crime, which was based on lies about “weapons of mass destruction” and which led to the deaths of more than half a million Iraqis. Nor did the USW oppose any of the other CIA-backed coups or dirty wars launched by the US to seize oil, from the 1953 coup in Iran to the more recent wars against Libya and Syria.



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