

“People can hardly afford to eat”: US inflation continues to hammer workers

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Annual price increases for US consumer goods remain at their highest level in nearly 40 years, according to the latest inflation data released Wednesday by the Bureau of Labor Statistics (BLS). Prices for items in the Consumer Price Index rose 8.5 percent in the 12 months ending in July, down slightly from the 9.1 percent rate reported in June, but still the second-largest yearly increase since December 1981.

Food prices in particular have surged in recent months. The BLS’ overall food index rose 10.9 percent year-over-year in July, while the cost of food at home increased 13.1 percent, the biggest increases since May 1979.

Amid a heat wave which has blanketed much of the US this summer and broken records in a number of regions, electricity costs rose 15.2 percent compared to last year, increasing by 1.9 percent over the last month alone.

The cost of shelter also pushed higher, with rent rising 6.3 percent nationally since 2021, with increases far greater in many major metropolitan areas, forcing large numbers of young people to live with their parents, and threatening others with eviction and homelessness. In California, 1.5 million households are behind on their rent, according to Census Bureau data released in late July.

Although the cost of gasoline, which is more volatile, fell somewhat from June, down 7.7 percent, it remained 44 percent higher than a year ago. The national average price for a gallon of gas is hovering near \$4, compared to \$3.18 in 2021.

The Biden administration and sections of the corporate media nevertheless seized on the latest data to claim that inflation is easing and that a corner being turned, with Biden misleadingly asserting that the BLS report showed “zero percent inflation in the month of July—zero percent.”

In a two-minute appearance, Biden painted a fantastical picture of a booming economy, but the reality facing masses of workers is one of increasing desperate struggle for daily existence. According to a separate BLS release Wednesday, real average hourly earnings for production and non-supervisory employees fell 2.7 percent year-over-year in July.

Rampant inflation and price-gouging by the corporate giants have fueled the growth of working class struggles over the last

two years, both in the US and internationally. The trade unions, which have sought to impose company-friendly contracts with sub-inflation raises, have faced a growing rebellion of rank-and-file workers, with workers’ overwhelming rejection of union-backed contracts an increasingly common phenomenon.

“I have not bought chicken in months. Honestly, I can’t afford it”

Workers who spoke to the *World Socialist Web Site* Wednesday consistently described lowered living standards and a scramble to adjust to higher prices, while voicing outrage over the soaring profits being reaped by corporate America.

“I have cut back to twice a month instead of every week grocery shopping,” a veteran worker at the General Motors Wentzville Assembly plant near St. Louis said. “I haven’t been traveling as much as I usually do. We still haven’t got a cost of living raise in over 10 years.” Cost-of-living adjustments (COLA)—almost universally eliminated with the assistance of the pro-corporate trade unions in recent decades—have been demanded with increasing forcefulness by workers in contract struggles over the last two years, provoking nervousness on Wall Street.

A worker at Dana Inc., an auto parts maker, in Pennsylvania said that they still face a high cost of living despite the relative decrease in gas prices. “Things are going down a few pennies here and there, but our wages are still being eaten up.”

In 2021, Dana workers across the US voted by 90 percent to reject a contract offer that included low wage increases and forced them to increase their contributions to health care. Workers organized a rank-and-file committee in order to oppose the sellout agreement being pushed by the unions. Despite the near-unanimous rejection, Dana workers were kept on the job by the United Steel Workers and United Auto Workers bureaucracies.

The Pennsylvania worker explained to the WSWs that second-

tier workers at their plant had been promised retroactive pay increases for the month and a half in which they were kept at work after the previous contract had expired, but that they have still received nothing. “Our rep has told us the UAW is adamant about giving us this back pay, but they say we have to wait at least five to six more months before we get a definite answer.”

An auto parts worker in Indianapolis reported to the WSWs: “They say that inflation has eased up, but it’s unnoticeable. I’m still struggling too hard. At the first of the year, a four pack of drumsticks was \$3 and change, now it’s \$11 and change. I have not bought chicken in months. Honestly, I can’t afford it.

“I’m living on lunch meat and cheese. I can’t afford a decent meal that I cook at home. I used to buy a can of chili for \$2 and a box of spaghetti. Now chili is five bucks, and that meal is out of reach. Cabbage is almost too much. People can hardly afford to eat.

“Gas went up. Water went up. When they have to make improvements to the storm drains, the bill you pay for sewage doubles and triples. ASE is the utility company for both water and gas. I am hardly ever home, but my electric bill jumped from \$20 a month to 50 some dollars a month.

“The average person cannot go on vacation. Fuel went up. The airlines went up. There is no break for nobody, nowhere. It’s happening everywhere.”

A worker at the Lear Seating auto parts plant in Hammond, Indiana, told the WSWs that the previous contract pushed through by the UAW in 2018—after two massive votes against it by workers—was wholly inadequate to keep their wages up with inflation. “Definitely not enough, for sure. People are picking up any overtime they can get. With all the layoffs people want more secure work.”

As throughout the auto industry, the UAW has worked with Lear to impose a divisive tier system, with so-called “sub-assembly” workers making less than those categorized as “just-in-time.” Workers “have been fighting the union over this,” the worker said, “but they are okay with it.”

“They don’t want us to be able to tread water anymore”

Workers at the grocery chains themselves, facing poverty wages with few benefits, are finding it increasingly difficult to make ends meet. A Kroger worker in Indiana said, “They don’t want us to be able to tread water anymore. Duke Energy is raising everyone’s bill for no reason in my area.”

This year, workers at Kroger have been engaged in a two-front battle against both the company and the United Food and Commercial Workers union (UFCW), which keeps workers divided via numerous separate local contracts. At Kroger stores in Indianapolis and more recently in Columbus, Ohio, workers

also voted to reject UCFW-backed sellout agreements which would keep them mired in poverty.

“It’s ridiculous,” said another Kroger worker in Indiana about inflation, “especially on things you can’t cut back on much, like groceries. I went to Aldi [a discount grocery chain] a few weeks ago for the first time in ages, and found their prices not that much cheaper. I think it’s going to get worse before it gets better as people have less and less to spend on basically anything but the bare necessities, which will then affect jobs overall. I am thinking about asking for extra hours, but it’s hard on me. I hate doing six days and 10 hours, it’s almost too much.”

“The oil companies are raking in the money while the average person can’t get by”

A worker at agricultural equipment giant John Deere in Illinois told the WSWs that the claims that inflation is easing are “ridiculous,” explaining, “The oil companies are raking in the money while the average person can’t get by. It’s all about big corporations and big companies.”

In 2021, workers at Deere carried out a courageous five-week-long strike, twice voting down a UAW-backed contract which failed to meet their demands for major wage increases and the restoration of previous concessions, including retiree health insurance. As at Dana, Deere workers launched a rank-and-file committee in order to break through the information blackout imposed by the UAW.

A retired Deere worker in Iowa described trying to cope with rising prices on a fixed income, saying, “It’s bad. Raises are being lost to inflation. I only drive to town every couple weeks for groceries, supplies. Shop more at discount grocers, eat out less. Made our vacation closer to home. Basic stuff. A grocery cart full at Aldi’s used to cost \$50. Now it’s \$100.”



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