

Millionaires' Congress threatens to intervene against potential US railroad strike

Tom Hall
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The Railroad Workers Rank-and-File Committee is hosting a public meeting Wednesday, September 14, at 7:00 p.m. Eastern Time, "Organize to prepare for a national strike!" All railroaders and their supporters are urged to attend and register for the meeting here. To join or contact the committee, send an email to railwrfc@gmail.com or fill out the form at the bottom of this page.

Congress intends to intervene to prevent a national rail strike and unilaterally impose a concessions contract, Steny Hoyer, the second highest ranking Democrat in the House of Representatives, told Bloomberg News on Monday.

"There is a role for Congress if in fact they fail to reach an agreement," Hoyer told Bloomberg's television news station. "We can pass legislation if needed." He added, "A railroad strike at this point in time would be extraordinarily detrimental to our economy and the American people, and we want to avoid that."

The US Chamber of Commerce also issued a statement demanding intervention by Congress in the event that a deal is not struck before Friday's deadline, when the legally mandated "cooling-off" period expires at 12:01 a.m. This is the latest public statement by a major industry group demanding Congress intervene to impose a contract by fiat, ripping up the democratic rights of 100,000 railroaders who are nearly unanimously opposed to a deal and are pushing for strike action.

While not unexpected, Hoyer's remarks are a significant escalation of the state's efforts to impose a pro-company contract. They follow Biden's appointment of a Presidential Emergency Board (PEB), which proposed a settlement including wage increases below inflation, increased health care costs and no changes to the hated attendance policies that leave train crews on call 24/7.

Since 1926, railroaders have been under the discipline of the reactionary Railway Labor Act, which is designed to all but abolish strikes. But for even longer than this, the US government has not hesitated to use injunctions as well as direct violence against the threat of strikes on the railroads. Eugene Debs, the early 20th century socialist leader and a railroader who led the 1894 Pullman Strike, described the state response to strikes as "government by injunction." The last Congressional intervention into a railroad strike came in 1991, when the House voted by 400 to 5 to ban a national strike less than 24 hours after it began.

Hoyer's claim that Congress would act to defend "our economy" is drenched with hypocrisy. While Wall Street and its

political agents cynically use the prospect of shortages to try to whip up public opinion against a strike, American corporations have profited immensely from spiraling cost increases during the pandemic, which they would lose out on in the event of a strike. The Federal Reserve, with their approval, is jacking up interest rates in order to suppress wage growth, which is considered too high even though it does not come close to matching the rising cost of living.

Congress itself, which opinion polls show is one of the most widely hated institutions in the country, is comprised largely of millionaires. In 2020, half of the members across both the House and Senate were millionaires, and median net worth was approximately \$1 million. In trying to block a strike they would also be pursuing their own naked self-interest. Berkshire Hathaway, the majority owner of BNSF Railway, is the eighth-most traded stock by members of Congress, according to capitoltrades.com. Since 2018, 32 members across both parties have conducted 236 total trades, valued at nearly \$9 million, in the Warren Buffett-owned investment firm.

Railroaders are determined to strike against decades of declining wages and working conditions. In particular, they are incensed by the PEB's proposal, which Congress would likely seek to unilaterally impose if it intervenes.

Workers are also more and more in open rebellion against the pro-corporate union bureaucracy, which is still working desperately to work out a deal patterned after the PEB to avert a work stoppage.

The unions are deliberately trying to sap the strength of engineers and conductors by reaching separate deals based on the PEB with smaller crafts in 10 separate unions. A vote by workers in the International Association of Machinists (IAM) is concluding Tuesday, with workers reporting overwhelming opposition.

"In order to get any results I believe we need to stand together against the company, unions and the government," one worker wrote to the WSWs. "The unions are doing back door deals with the carriers, but tell us something different because they benefit by us voting 'yes.' Enough is enough, and we need to stand our ground."

"This is not the first contract that has been shoved down our throats," another worker observed. "However, this will be the contract that will break our combined strength forever. I vote for a strike. NOW!"

A third worker declared, "Every single working class employee,

no matter what industry, needs to plan to walk out on Sept 16th. We are correct in saying we are the absolute power at the end of the day. Problem is, *we have not shown it to the world yet!*

“I encourage everyone in labor to walk on this day. Labor has been giving in to concession contracts for far too long. This is Labor’s time. Sept 16th...”

A statement released Sunday by the Railroad Workers Rank-and-File Committee, an independent group of workers around the country fighting against both the railroads and the union bureaucracy, has been read thousands of times by railroaders. The committee itself is increasingly being recognized as an authoritative voice of opposition, both by coworkers and by railroaders’ enemies.

A national rail strike would have a powerful impact. The rail industry estimates a strike would cost \$2 billion per day, although even this is likely a vast understatement. Much of production in the United States would come to a standstill, as well as work upstream and downstream of the rails in the supply chains, including on the docks and warehouses. The Biden administration is already intervening on the West Coast docks to prevent a work stoppage more than months after the expiration of the last contract. Because of highly globalized production networks, it would also quickly have a vast impact all over the world.

Most of all, a strike would receive immense support from the working class as a whole. The railroads, where Wall Street investment firms have driven up profits to record levels by increasing exploitation, is a microcosm of the social conditions that workers in every industry confront. After enduring decades of wage cuts and deindustrialization, workers have been pushed to the limit during the pandemic, while profits and share values have soared to the highest in history.

In railroad boardrooms there is a growing feeling that some form of work stoppage may be inevitable, because they have no confidence in the ability of the unions to pass a deal patterned after the PEB. The railroads are maneuvering openly towards a lockout in the hopes that Congressional intervention would unilaterally impose what could not be passed in a vote.

The railroads are already winding down operations in anticipation of a Friday shutdown. An industry group announced last Friday that it would no longer be transporting hazardous cargo. Norfolk Southern announced that it is beginning contingency plans that include refusing to accept new cargo as of September 13.

The Brotherhood of Locomotive Engineers and Trainmen (BLET) and the SMART-TD union, the lone holdouts of the 12 national rail unions, have responded by begging and pleading with the railroads to negotiate a deal with them. However, in a statement to CNBC Monday, one union spokesperson said, “If the contract is presented to our members in its current form, it will not pass. The workers are angry. They want movement on attendance policies and to not be afraid to take a sick day or vacation day without the fear of termination. There will be no ratification until this is addressed.” This suggests the unions themselves are increasingly fearful that they will not be able to prevent a work stoppage.

Meanwhile, a crisis atmosphere is taking hold in Washington. Biden personally made calls to union and rail officials to urge

them to reach a deal before the deadline Monday, according to the *Washington Post*. Labor Secretary Marty Walsh has canceled a planned trip to Ireland to focus on the railroads.

Relying upon congressional intervention is fraught with dangers for both the ruling class as a whole and the Democratic Party in particular.

First, while it is likely, it is not guaranteed that both parties in Congress, wracked by the deepest crisis since the Civil War and weeks before a critical midterm election, would be able to come together to pass an injunction. Even if it does, however, it would be a political debacle on the doorstep of the midterm elections, exposing in particular the role of the Democrats and Biden in relying upon the services of the unions to suppress the class struggle.

Second, even if an injunction is passed, particularly after a lockout or strike has begun, there is no guarantee that it would be enforceable given the atmosphere of rebellion among railroaders. In 2018, teachers in West Virginia, Oklahoma and other states defied anti-strike laws by carrying out statewide walkouts, organized largely independently of the union apparatus. In 1978, under similar conditions of spiraling inflation driving explosive struggles in the working class, tens of thousands of coal miners across the US successfully defied a Taft-Hartley injunction by President Jimmy Carter.

However the situation develops over the coming days, the critical issue for railroad workers is to develop their independent organization and initiative. As the Railroad Workers Rank-and-File Committee wrote in its statement, “No confidence can be placed in the union apparatus, which throughout has colluded with management and the government to force through a contract on their terms. This is why it is necessary to organize ourselves, building rank-and-file strike committees at every carrier and workplace around the country.”

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