

# Rail union bureaucrats in the US “demand” temporary pause to stock buybacks

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On April 21, the Brotherhood of Maintenance Way Employee Division (BMWED) announced a pathetic campaign, alongside 14 other rail unions, calling for a temporary halt of stock buybacks. The “No Stocks Buyback” campaign calls for the temporary stoppage of the pumping of billions of dollars into propping up share values until safety improves across the railroad industry.

Since 2015, six publicly traded freight companies have made more than \$165 billion in stock buybacks, \$46 billion more than invested in safety. The record profits used to finance these buybacks came from continuous cuts to safety and working conditions, including the infamous Precision Scheduled Railroading (PSR) attendance policy, which leaves train crews on call 24/7. While these have benefitted the bottom line of shareholders, they have produced a never-ending string of disasters, including the derailment and toxic chemical spill in February in East Palestine, Ohio.

Federal data cited by the union shows that the number of derailments over a decade has increased for the seven major US freight railroads (reduced in recent weeks to six, after the merger of Canadian Pacific and Kansas City Southern). The data showed about two derailments for every million miles traveled in 2022, more than the rate of 1.71 per million miles in 2013.

The pathetic solution of the rail union bureaucracy, however, is to grovel before the railroads to “invest in safety, not Wall Street.” They propose that the railroads stop buybacks only until PSR is ended and until the “rate of safety accidents decreases, and workers feel safe on the job.” After that, the railroads would be “free” to continue squandering tens of billions of dollars squeezed out of the sweat of railroaders on manipulating their own stock. The union statement

urges railroaders: “Add your name to tell railroad CEOs to take the pledge now.”

One CSX maintenance of way worker spoke with contempt about the BMWED’s campaign. “These carriers do not care what the unions have to say about buybacks and safety. The unions had an opportunity to call a strike, and they didn’t do it. The companies are not threatened one bit by words because it’s been demonstrated that action will not follow. It’s time for workers to stop ‘asking’ and start taking.”

The campaign is meant to rein in not railroad management but railroad workers themselves. The union bureaucracy is trying to redirect the growing anger and militancy of railroaders into harmless moral appeals to railroad CEOs.

The same union bureaucrats played a key role in the conspiracy to block the railroaders from striking and imposed a despised national rail contract last year. They attempted to ram through the sellout, brokered by the Biden Administration, which addressed none of the issues of safety and attendance policies which they now are pretending to campaign around. When workers, including in the BMWED, the third-largest rail union, rejected this contract, they delayed for weeks in order to buy Biden and Congress time until after the midterm elections to prepare legislation to ban a strike and enforce the contract.

The union bureaucracy reacted furiously to the challenge from below by the rank-and-file. In response to the growing influence of the Railroad Workers Rank-and-File Committee, whose statements were being read by thousands of workers and which was holding meetings with hundreds of people, BMWED president Tony Cardwell penned an open letter attacking “fringe groups” with “dangerous ideas,” and threatened that any “unsanctioned” or “illegal” strike would be faced

with legal repercussions and financial penalties.

The RWRFC responded to Cardwell, declaring: “You are the fringe, Mr. Cardwell, not us. We have voted to strike and to reject your garbage contracts. We, the workers, outnumber you 1,000 to 1. ... If you are not willing to abide by the will of the membership, then get out of the way.”

Since they helped ram ban a strike by their own members, the rail unions have shifted their focus towards bogus public pressure campaigns appealing to the morality and “common sense” of the rail CEOs. For example, when CSX CEO Joseph Hinrich granted maintenance workers—but not rail crews—four days paid sick leave, up from zero, Cardwell praised his “courage” for being “willing to step out and do something for his workers.”

This serves to cover up the fact that the railroads have been emboldened by Congress’ intervention. Only days after the strike ban, three Class I railroads announced pilot programs to reduce crew sizes from two to one, and Union Pacific announced it would begin outsourcing locomotive maintenance.

Railroaders, meanwhile, still want to wage a fight. This was shown by the strike authorization vote by BWED members in March and April over the continuous underpayment of wages.

The rail union bureaucrats even continue to refer to Democratic Party politicians as “friends of labor,” five months after the strike ban.

SMART-TD, the second-largest rail union, recently concluded its North America’s Building Trades Unions (NABTU) Legislative Conference, which took place in Washington, DC on April 25 and 26. At the conference, according to a Facebook posting by the union, they “heard from pro-labor officials including Marty Walsh [the Secretary of Labor until he resigned in March], [Wisconsin Senator] Tammy Baldwin, [billionaire governor of Illinois] J.B. Pritzker and president Joe Biden.”

The evident function of the conference, aside from providing an all-expenses paid working vacation for SMART-TD union bureaucrats, was to discuss how the union officialdom could continue to support Democratic Party election campaigns. Walsh said at the meeting, “Who you vote for has consequences” and that “this is how we restore and expand access to the middle class in this country: through good, union jobs.”

President Biden, saying perhaps more than he intended, was quoted saying, “We need to finish the job.” and that he “learned a long time ago: There’s labor, and then there’s UNION labor.”

The post prompted hostile comments from railroaders. “Bunch of lip service,” one said. “Biden and Walsh were a complete joke for the railroad contract. They work just as much in cahoots with corporate America as the Republicans. And SMART folded up like a lawn chair throughout the process! Thankfully the majority of members pushed the matter right to its bitter end so we could see exactly where everyone stood on the issue when time ran out.”

This was, in fact, only the latest such union convention where the union bureaucracy rubbed elbows with top politicians. SMART-TD’s leadership conference last summer was addressed by then-House Speaker Nancy Pelosi, only days before the Presidential Emergency Board issued its report which sided with the railroads on every issue. The Brotherhood of Locomotive Engineers and Trainmen convention last year, held on the Las Vegas Strip, was addressed by Walsh and Pelosi. At that convention, Teamsters General President Sean O’Brien also sent a veiled threat to railroad workers, instructing them to keep their criticism “in-house” and away from public view.

These conventions are only some of the most vulgar signs of the complete integration of the union apparatus with the capitalist state. In comments made in January, SMART-TD Jeremy Ferguson openly defended the ban on a strike by his own members, declaring, “I don’t blame Biden. He had to put the country first and the economy first,” and that “Biden supported us by invoking the Presidential Emergency Board.”



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