

Massive new investments in the Port of Savannah, as East Coast dockworkers' contract looms

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A groundbreaking ceremony was held on November 16 for the Central Port Logistics Center in Savannah, Georgia, a major addition to the Port of Savannah. Work on the 550-acre Center begins the first phase of a four-phase expansion of the fourth largest container port and third largest seaport in the United States.

The first phase will be completed in June of next year. One of the two buildings in this phase is a \$155 million, 982,000-square-foot structure, which has already been leased by Plastic Express, a veteran-owned and -operated logistics company in the US and a leader in the plastic resin industry. The other building is a 1.5 million-square-foot or 34.5 acre structure, with tenants yet to be announced. The total area of phase one will be 198 acres.

Ten more structures and supporting infrastructure are planned over the coming years in the three remaining phases.

The Georgia Department of Transportation also plans a \$175 million project to raise the Eugene Talmage Memorial Bridge crossing the Savannah River by 20 feet to facilitate larger container ships. The project is expected to be completed by 2027.

The Army Corps of Engineers recently finished a 25-year \$973 million dredging project that deepened the Savannah River by five feet to accommodate shipping. The project also caused damage to nearby wildlife preserves. Now, it is considering increasing its depth again by another three to five feet.

The development of the port is taking place as a new contract looms next year with the International Longshoremen's Association (ILA) for 45,000 workers on the East Coast. The current contract expires on September 24.

Harold Daggett, the four-term president of the ILA, promised in a press conference last week that there will be no contract extension next year. If employers attempt to replace jobs with automation, he claimed, they would "get a painful reminder that longshore workers brought these companies to where they are today."

This is empty rhetoric from a corrupt union bureaucrat, but nevertheless an acknowledgment of the pervasive anger and determination to strike on the part of dockworkers. The ILA is determined to get out in front of this sentiment in order to block a powerful strike which would impact global supply chains.

Daggett has a history of ILA corruption dating back to 1980, when the union appointed him to a leadership position. Last year, his salary was over \$600,000, which puts him in the top 1 percent of earners in the United States. He also has connections to organized crime. According to a racketeering case filed by the FBI, the Department of Labor, and the Waterfront Commission of New York Harbor, the Genovese crime family has allegedly been behind his rise in the union.

The Biden administration is relying heavily on the services of the union bureaucracy to block or limit strikes in key areas of the economy. On the West Coast, the International Longshore and Warehouse Union kept workers on the job without a contract for a year before finally ramming through a contract with below-inflation wages earlier this year. The White House was centrally involved in the talks before the contract even expired, and new acting Labor Secretary Julie Su was instrumental in securing the final contract. Meanwhile, dockworkers, fed up with the endless delays, began organizing a series of job actions which significantly

impacted port traffic along the West Coast.

When the unions failed to stem the tide of worker anger on the railroads last year, the self-described “most pro-labor president in American history” did not hesitate to secure a pre-emptive ban from Congress.

Daggett’s empty strike threat is torn out of the playbook set by the Teamsters at UPS which used a months-long bogus “strike ready campaign” to package a sellout contract this summer as the product of a “credible strike threat.” If the ILA claims it will not work past the expiration of the current deal, this only means that it is determined to get a deal in place before then.

To warn against the theatrics of the Teamsters bureaucrats and to mobilize co-workers independently against the contract, workers founded the UPS Workers Rank-and-File Committee earlier this year. Dockworkers must likewise be prepared to take action against the inevitable ILA sellout.

Indeed, Daggett and the ILA forced their own members to scab on ILWU workers, as shipping companies redirected substantial cargo volumes from West Coast to East Coast docks in anticipation of a potential strike. The Port of Savannah was one of the major destinations for this re-routed traffic.

The rapid development of ports, such as the one at Savannah, is aimed at providing shippers with increased flexibility, eliminating bottlenecks in supply chains such as occurred in 2020 during the opening stages of the pandemic, when dozens of freighters were docked off the Port of Los Angeles. This also allows companies more leverage to deal with wildcat strikes, protests and other actions which have been impacting shipping.

The White House also views supply chains as critical for its expanding war drive. Last week, the Biden administration announced the creation of a new “White House Council on Supply Chain Resilience,” which includes the secretaries of Defense and Homeland Security and other top military and intelligence officials.

Among the other measures announced by Biden last week were the creation of supply chain disruption “early warning” systems and progress on the “Indo-Pacific Economic Framework for Prosperity,” an anti-China trade bloc.

Critically, the White House also announced “cross-

governmental supply chain data-sharing capabilities,” which they will utilize “to coordinate a more complete, whole-of-government critical supply chain monitoring function,” leveraging artificial intelligence, or AI. This includes the Department of Homeland Security’s new “Supply Chain Resilience Center,” whose “near-term priorities” include addressing supply chain risks resulting from threats and vulnerabilities “inside” US ports, an obvious reference to labor stoppages and anti-war protests, such as one recently in the Port of Oakland which blocked a ship loaded with weapons headed for Israel.



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