

# Teamsters announce sellout agreement with Anheuser-Busch, blocking strike action

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An agreement between the Teamsters union and Anheuser-Busch was announced Wednesday afternoon, a day before the expiration of the contract covering 5,000 brewery workers. Voting on the agreement is expected to begin next week.

Announcing the deal, Teamsters General President Sean M. O'Brien said, "Anheuser-Busch knew our members were serious and prepared to do whatever it would take to get a fair agreement. After a long day and a longer campaign, we've reached an agreement that sets a new high standard for the brewing industry." Full details of the proposed contract have not been released, with the Teamsters only publishing a short list of highlights.

In reality, the deal can only be a sellout, following the same pattern as UPS last year, when O'Brien and the Teamsters bureaucracy made similar claims about a new national contract. Now, the company is laying off over 12,000 people without any restrictions under the new agreements, while the Teamsters bureaucracy has maintained a guilty silence.

Ab Inbev, the largest brewer in the world, with significant institutional Wall Street investors, would never agree to a deal with such supposed "gains" as the Teamsters are claiming, unless there were hidden concessions that guaranteed savings in the long run, especially as the company sees declining revenue in North America.

According to the Teamsters' self-serving highlights, the five-year deal at Anheuser-Busch will include "Wage increases of \$8/hour, including an immediate \$4/hour raise in the first year," plus a \$2,500 signing bonus. The contract will also supposedly put an "end to two-tier health care" and restore retirement benefits for active and retired members while providing "job security."

A 23 percent increase over five years—an average of 4.6 percent a year—is not enough to even make up for real wages lost due to record inflation over the past three years, which peaked at over 9 percent. The \$4 wage increase up front is a blatant attempt to swing votes in favor of the deal, preying on workers' economic situation. In 2019, the contract only included just \$2.50 in wage increases over five years.

During the Anheuser-Busch strike of 1976, which lasted 14 weeks, workers won \$2.25 more an hour and an extra 40 cents an hour for benefits in a three-year contract, the equivalent of \$12.50 in wages and another \$2.20 to benefits an hour in today's economy.

The wages under the new contract leave billions on the table. On Thursday AB Inbev, the Belgium-based conglomerate that owns Anheuser-Busch, released its fourth quarter earnings report, just hours after the tentative agreement was announced. The company announced an increase in revenue of 7.8 percent and profit growth of 7 percent, despite a decline in total volume of sales, resulting in \$1.66 billion in profit for quarter four and \$6.16 billion in fiscal year 2023.

The question of job security is particularly sensitive, especially after hundreds of UPS workers were laid off over the past few months. The UPS contract, which the Teamsters referred to as a "historic" agreement, failed to provide any protections against job cuts.

If the contract actually provided job security, then the Teamsters should be happy to share that and not reference vaguely that the agreement includes language on it. Any real protections against job losses from automation and workforce reductions would be worth stating in detail.

But perhaps the greatest sign that the contract is a sellout is the Teamsters' pattern of behavior with Anheuser-Busch throughout the contract talks. It is

almost exactly identical to its “contract campaign” used to push through the contract at UPS. The Teamsters conducted a months-long, entirely for show “strike ready” campaign in order to present the tentative agreement it had already worked out with management as the product of a “credible strike threat.”

Just as at UPS, at Anheuser-Busch the union spent weeks publicly claiming it was prepared to call a national strike. It announced it would double strike pay to \$1,000 a week and attacked the company for refusing to bargain, with Sean O’Brien calling a strike “unavoidable.” Just at UPS, contract talks even stopped abruptly before the deadline, creating the appearance that negotiations had broken down.

But then, just as at UPS, the Teamsters suddenly and miraculously announced a tentative agreement just under the deadline. According to the union’s statement, the company returned to the bargaining table “late in the day on Wednesday,” meaning that the tentative agreement was reached within a matter of hours.

Even the self-serving “highlights” of the UPS contract, in fact, made it clear that the deal fell far below workers’ demands, which included an immediate pay increase to \$25 per hour. But within months, the Teamsters’ presentation of the contract as a “historic” win was exposed when UPS began laying off entire sorting shifts at warehouses around the country.

There was significant opposition among workers to the UPS deal, which took its most conscious form in the establishment of the UPS Workers Rank-and-File Committee. The committee is now fighting to build a movement independent of the Teamsters bureaucracy against the mass layoffs which were prepared by the contract.

As with UPS, the deal at Anheuser-Busch was likely prepared well in advance. In addition to the signatures by both parties, all that was waiting was the means to sell the contract to the membership, which the Teamsters has sought to do through empty rhetoric about a strike threat.

Regardless of the content of the contract, a last-minute deal to avert strike action is also a gross betrayal of the more than 400 Coors workers on strike in Fort Worth, Texas. These courageous workers are taking on the second largest brewer in the US and fourth largest in the world on their own. A joint

struggle by brewery workers at Anheuser-Busch and Coors would be a powerful movement capable of securing real wins for workers at both companies. But this will not be tolerated by corporate management or the Teamsters bureaucracy, which fears that any broader struggle of brewery workers could develop outside of its control.

This is exactly what must happen. In order to prevent a sellout, workers must build rank-and-file committees in every workplace to reject the contract.

The first issue at hand is the tentative agreement. Voting is planned for next week, which is not enough time for workers to adequately study the entire deal, which they have not yet been given anyway. Workers should demand full access to the contract, adequate time to review and discuss it, as well as the release of all backdoor discussions between the Teamsters and management. This means especially any plans for layoffs and the use of automation to eliminate jobs.

Both based on the inadequate pay increases already revealed and on principle given the means through which the Teamsters is trying to rush through the contract, workers should vote down the deal by the widest possible margin.

Next, they should organize a real strike campaign that forces the company to make concessions, not the workers. To do this, they must link up with workers at Coors, UPS and in other industries where workers are fighting against mass layoffs, in a common fight in defense of jobs.



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