

Deere cuts over 300 jobs at Waterloo, Iowa plant

Marcus Day
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On Tuesday, agricultural and heavy equipment maker Deere & Company announced plans to indefinitely lay off over 300 production workers from its Waterloo, Iowa, tractor plant beginning on April 29. The plant is Deere's largest tractor factory. The company employs around 5,500 in the area, including 3,600 production workers.

The layoffs in Waterloo follow an announcement by Deere earlier this month that it would lay off approximately 150 workers from its factory in Ankeny, Iowa, in the suburbs of the state capital Des Moines. Last October, Deere laid off 225 workers from its Harvester Works plant in East Moline, Illinois.

In a terse statement, a Deere spokesperson said about the cuts in Waterloo, "Employees were told of the layoffs by factory leadership in meetings today. Each John Deere factory balances the size of its production workforce with the needs of the individual factory to optimize the workforce at each facility."

Deere beat first-quarter earnings estimates by financial analysts, reporting net income of \$1.75 billion, coming off a massive profit of over \$10 billion for its 2023 fiscal year. However, the company has lowered its 2024 profit forecast, pointing to mounting "headwinds" as elevated interest rates have begun to slow demand among farmers for Deere's equipment, which can run well over \$1 million for one of its tractors.

Nonetheless, Deere is coming off of years of record profits and has continued to funnel enormous sums of money to its investors and top executives. The company paid CEO John May a total compensation package of \$26.7 million for 2023, up from \$20.3 million in 2022, a 30 percent increase.

The layoffs at Deere are part of an accelerating jobs massacre being carried out in virtually every industry and work sector globally.

In Iowa, meatpacking giant Tyson Foods announced it would be closing its pork processing plant in Perry, also

in the Des Moines area, laying off more than 1,200 workers at the facility.

On Wednesday, the firm which supplies cleaners for Tyson's Perry plant, Packers Sanitation Services, announced it would be laying off 76 of its employees. Packers had been fined \$1.5 million in February 2023 by the US Department of Labor for the illegal use of child labor at meatpacking plants in other states.

Across the motor vehicle industry, major corporations such as Stellantis, Ford, and General Motors have all announced hundreds to thousands of layoffs in recent months, while shipping and delivery giant UPS revealed it would be closing 200 facilities during an investors call this week.

Ford confirmed this week that it was cutting two of three shifts at its electric pick-up plant in Dearborn, Michigan, next week. Two thirds of the 2,100 workers at the factory will be forced to transfer to other facilities or accept early retirement buyouts. Stellantis, for its part, announced this week over 3,500 job cuts at its Italian factories, after carrying out mass terminations of more than 2,000 temporary workers in the US since the start of the year.

The US ruling class is escalating its wars abroad while waging a war on workers' jobs and wages at home. The Federal Reserve, with the support of both the Democratic and Republican Parties, has raised interest rates to nearly 20-year highs, in an effort to drive up unemployment and undermine workers' ability to fight for higher wages. The Biden administration, meanwhile, has relied on the union bureaucracies to suppress the class struggle, keep wage increases under inflation and facilitate mass layoffs.

The United Auto Workers (UAW) union has made clear that it will do absolutely nothing to fight the job cuts at Deere, in line with its role in facilitating layoffs and mass firings in the auto industry.

In a newsletter released Thursday, UAW Local 838

Engine Works Chairman Ron Frickson ascribed the cuts to purely economic causes, without a hint of opposition to management's decision to sack hundreds of workers, writing, "I believe contributing factors are that some work is moving out of Waterloo to other Deere facilities and the fact that more used equipment over new product is being purchased due to high interest rates causing a softening in orders."

Stating there would be informational meetings on "benefit opportunities," Frickson concluded, "There is no good outcome to this situation, all we can do is hope the economy turns around and we are able to get all of our brothers and sisters back to work asap."

The UAW bureaucracy's refusal to fight the layoffs has provoked growing indignation among workers. A Deere worker from the Tractor, Cab, & Assembly Operations (TCAO) in Waterloo told the *World Socialist Web Site* Friday, "That's not how unions are supposed to work. I'm not happy at all. As far as I know, they haven't done a damn thing to stop the recent layoffs, no protests called, absolutely nothing."

At Deere, as at the Big Three automakers, workers continue to face the aftermath of the sellout of their struggles: in Deere's case, the 2021 strike, and at the Big Three, the 2023 strike.

The five-week-long strike by 10,000 Deere workers in October and November 2021 was the first walkout called by the UAW at the company in 35 years. From the early 1980s onward, the UAW apparatus bargained away one right after another, instituting the divisive wage and benefit tier system in 1997.

The UAW-Deere national bargaining team—headed up by current UAW Vice President for Ford Chuck Browning—first sought to ram through a pro-company deal following a late-night contract extension. The agreement was sent down in flames by workers once they read the terms, leading the UAW to feel it had no choice but to call a walkout, as it sought to head off an explosion among its members.

The union apparatus proceeded to isolate the struggle, refusing to expand the walkout, while workers starved on just \$275 a week in strike pay.

The Deere Workers Rank-and-File Committee, formed shortly before the strike began, played the central role in organizing opposition to the UAW's efforts to impose a sellout. The committee issued a number of statements combating the management's propaganda and appealed for workers internationally to mobilize in support of the struggle.

Deere workers waged a courageous fight, rejecting a second, little-changed tentative agreement. The UAW proceeded to escalate a campaign of lies and threats to ensure passage of the "last, best and final" offer from management.

Throughout, the Waterloo Deere plants were a center of militancy. While the UAW International claimed that its third contract passed by 61 to 39 percent overall, it admitted that workers at Local 838 in Waterloo rejected the deal by a 56 percent margin.

The 2021 Deere strike itself was part of a broader rebellion by workers against the pro-corporate union bureaucracies. Beginning with a strike at Volvo Trucks earlier that year, there were a series of votes by workers overwhelmingly rejecting union-backed contracts, including by 90 percent margins at both Volvo and Deere.

The layoffs at Deere must be stopped! There can be no doubt that the current job cuts are only the beginning, as the company seeks to impose the full burden of any further economic downturn onto workers.

To prepare effective action to fight the cuts, it is necessary to build the Deere Workers Rank-and-File Committee throughout all of Deere's plants, linking up with other workers' committees in the auto industry, meatpacking and other sectors, in the US and internationally.

The Waterloo Deere worker, expressing his disgust with the collusion between the UAW and management, said, "I've been involved with unions since I was 11 years old, having to tag along with my dad. And I've never seen anything so pathetic.

"There's so much nepotism in the union. Union leaders get voted in on the buddy system. Then, it's not uncommon for them to end up as supervisors. We had a committeeman a few years back—walks out of the union office, and the next day, he's a supervisor. We also had another rep retire and come back as a supervisor. It was crappy, the sneaky way it was done."



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