

# Deere announces plans to cut over 800 more jobs in Iowa and Illinois

Marcus Day  
1 July 2024

*Take up the fight against layoffs! Fill out the form below to begin building a rank-and-file committee at your workplace.*

On Monday, agricultural and heavy equipment giant Deere and Company revealed it was planning to indefinitely lay off over 800 workers in Iowa and Illinois in the coming months, in a significant escalation of its attacks on jobs this year.

Deere will lay off 503 workers at its Harvester Works factory along the Mississippi River in East Moline, Illinois, beginning September 20. In Iowa, Deere will lay off 211 workers at the nearby Davenport Works, and an additional 99 at the Dubuque Works plant, each beginning on August 30.

The mass job cuts announced Monday effectively double the number Deere has carried out for the year. In recent months, the company has announced layoffs at three Iowa plants—549 at Waterloo Works, 166 at Des Moines Works and 59 at its tech center, Deere Intelligent Solutions—along with 34 layoffs at its Moline Seeding and Cylinder plant in Illinois. The company has also slashed positions through early retirement incentives, including 103 at its plant in Ottumwa, Iowa.

In addition to the layoff of production workers, Deere is planning to cut its salaried workforce by late July, according to a filing with the Securities and Exchange Commission last month.

The company launched the present wave of mass layoffs last year, cutting 225 jobs at the Harvester Works in October. With the latest round of cuts, Deere will have slashed nearly 20 percent of its 10,000-strong workforce among the United Auto Workers, in the largest round of job reductions since 2015-16. Deere employs roughly 80,000 globally.

The cuts at Deere are part of an escalating corporate assault on jobs throughout the auto industry and other manufacturing sectors. The US auto industry had announced over 21,000 job cuts between January and May, an 18 percent increase compared to the same period last year, according to a report by job placement firm Challenger, Gray & Christmas.

Ford, General Motors and Stellantis have all been engaged in a vast job-cutting spree, cutting shifts, laying off thousands of workers and firing temps. The cuts are a direct result of the UAW bureaucracy's betrayal of the 2023 struggle at the Big Three, during which they kept the greater majority of workers on the job in phony "stand-up strikes."

Deere has sought to justify its cuts by pointing to falling crop prices and lower demand for its large farm equipment. In a perfunctory statement, the company wrote that "rising operational costs and declining market demand requires enterprise-wide changes in how work gets done to achieve our goals and best position the company for the future."

In addition, the continuation of high interest rates by the Federal Reserve (a policy aimed at increasing unemployment and weakening workers' leverage) has worked to suppress demand for Deere's equipment, which can sell for well over \$1 million for its large combines.

However, Deere remains immensely profitable, taking in \$2.37 billion in the previous quarter and over \$10 billion last fiscal year.

While throwing hundreds of workers into unemployment, the company has continued to funnel huge sums to its top management (\$26 million for CEO John May last year) and its largest investors (\$7.2 billion in stock buybacks and \$1.4 billion in dividends in 2023).

The UAW apparatus, which rammed through a sellout contract betraying the 2021 Deere strike, has remained silent on the cuts thus far. The administration of UAW President Shawn Fain has been wracked by an increasingly severe crisis in recent weeks, with revelations that a court-appointed monitor is investigating both Fain and Secretary-Treasurer Margaret Mock for financial wrongdoing, as well as another UAW executive board member for embezzlement.

In a bombshell court ruling just last week, a federal judge rebuked the Biden administration's Department of Labor for its "arbitrary and capricious" attempt to dismiss complaints of fraud in the 2022-2023 UAW national elections. The judge ruled in favor of Will Lehman—a rank-and-file Mack Trucks worker and UAW member who had brought the suit—and ordered the Department of Labor to review and respond to the evidence previously brought forward by Lehman.

**Media, UAW attempt to deflect anger over job cuts against Mexico**

The corporate media has sought to deflect anger over the job cuts by whipping up anti-Mexican sentiment, with *Guardian* and Fox News Business headlines trumpeting Deere's "shift to Mexico." The company has announced the transfer of certain production lines from factories in Waterloo and Dubuque to Mexico.

The *Guardian* quoted former UAW Local 74 President Chris Laursen as stating, "A multinational corporation like Deere sees Mexico as pretty attractive for a cheap labor source: they can import steel cheaper there and bring it across the border and sell it to the majority of their market in the US. It's a sign of the times, perpetuating what's been going on with the loss of manufacturing here in America, good union jobs and otherwise."

The UAW bureaucracy has long sought to promote nationalist poison among workers, against Japan in the 1980s, and against Mexico and increasingly China in recent decades. The efforts to blame workers in other countries have supported the corporation's divide-and-conquer strategy, used to increase the exploitation of their global workforces.

The UAW's helping the company's mad scramble for profits has allowed working conditions to worsen, as revealed in the recent horrific death of 28-year-old Caterpillar worker Daulton Simmers.

The UAW's promotion of economic nationalism has taken on a malignant character, serving to subordinate workers to US corporate interests and preparations for all-out war with Russia and China.

UAW President Fain has emerged as a foremost spokesperson for the Biden administration and has called for a new "arsenal of democracy," which in reality means the enforcement of a brutal war-time economy and further deprivation of workers' rights.

During the 2021 Deere strike—which won the sympathy of Deere workers internationally, including in Germany and France—the UAW bureaucracy was repeatedly defied and staggered by a rebellion among Deere workers, who voted down at least two UAW-endorsed contract proposals, the first by more than 90 percent.

UAW officials at the local and national levels sought to browbeat workers into accepting the company's "last, best and final offer"—unchanged from the one workers had just rejected—including by threatening the transfer of production to Mexico, claiming there was "no more money on the table." At the Davenport plant, a UAW local vice president called for Deere to shift production from Waterloo, since that facility had been the center of resistance to the UAW's pro-company deals.

A veteran worker at Deere's North American Parts Distribution Center (PDC) in Milan, Illinois, told the WSWS, "A lot of us knew when the strike was going on that they were planning to move jobs overseas. Waterloo knew some of their work was going to Mexico. It states in our contract that PDC facilities have to remain open—well, there's a little glitch in that it doesn't say anything about how many employees. They could have a security guard and that would be it.

"When it's contract time, it's 'let's sign, hurry up, the company is not going to give any more money.' Deere knew what was in the future.

"There's been nothing from the union. If they come in and started laying us off, they still wouldn't say anything. I haven't seen any union reps out on the floor. They're too busy kissing the company's ass."

### **Build the Deere Workers Rank-and-File Committee to fight job cuts!**

During the 2021 Deere strike, a group of militant workers organized the Deere Workers Rank-and-File Committee, which served as the organizing center against the UAW's efforts to impose the company's demands.

In a statement calling for a "no" vote and the expansion of the strike throughout the UAW, the committee warned, "If this contract gets passed, before the ink is dry, they will be forcing us to work around the clock to make up for lost production, and Deere executives will be boasting to their investors that they achieved their aims of reducing costs and boosting profits."

Workers can place no faith in the corrupt UAW apparatus, which will continue to support the company's job-cutting attacks and seek to promote pessimism and convince workers that "nothing can be done" to save jobs.

A fight to defend jobs can and must be waged, but it requires that workers take the struggle into their own hands. The Deere Workers Rank-and-File Committee must be expanded, linking up with the International Workers Alliance of Rank-and-File Committees (IWA-RFC), to prepare industrial action to halt and reverse job cuts around the world.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**

**"There's been nothing from the union"**