

CNH announces “tentative” plans to close Burlington, Iowa tractor plant nearly 2 years after UAW sellout of strike

Marcus Day
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Work at CNH? We want to hear what you think of the threatened plant closure: Fill out the form at the end to send us your comments.

Earlier this month, global heavy machinery giant CNH Industrial announced “tentative” plans to close its factory in Burlington, Iowa by mid-2026 and permanently lay off 350 workers at the plant as part of an escalating global corporate assault on jobs. CNH produces construction and agricultural equipment under the Case and New Holland brands, with 63,000 employees and factories on six continents.

The shutdown of the plant would have devastating consequences for workers and their families in the small southeast Iowa city. Burlington, located along the Mississippi River and formerly a regional manufacturing center, has already suffered decades of deindustrialization, economic stagnation and population decline. The plant closure would have a further domino effect in the area, inevitably leading to hundreds more layoffs at CNH’s local suppliers and at other workplaces in the area.

CNH’s predecessor, the J.I. Case Company, bought the Burlington factory from a furniture manufacturer in 1937, initially producing combines. In 1957, the first integrated loader-backhoe tractor was developed and produced at the Burlington plant, modern versions of which workers continue to build today.

“There are numerous businesses that supply Case with parts and materials,” a former CNH worker told the *World Socialist Web Site*. He said that CNH’s closure of its Burlington plant “would drive some businesses to relocate or close.”

“Case use to be the place where everyone wanted to work,” he continued. “Now it’s not.”

As another worker commented on Facebook, “I hope their CEO names their next mega yacht ‘Burlington’ in honor of the town they killed for it.”

In a statement announcing the plans on November 7, a spokesperson for the London-based CNH wrote that the company had “tentatively decided to move the production of backhoes, tractor loaders and rough terrain forklifts out of the Burlington plant to other CNH facilities in the US and Europe.”

The company said that the job cuts were part of its “global initiatives to streamline operations, minimize costs, and bolster competitiveness in a changing market.”

The threatened closure of the Burlington plant follows the indefinite layoff of 220 out of 660 workers at the company’s Racine, Wisconsin plant in April. Workers at both plants are members of the United Auto Workers, which rammed through a sellout contract in January 2023 following a bitter nine-month strike.

Both CNH and John Deere have sought to justify layoffs by pointing to the growing strains in the agricultural sector. Sharply lower corn and soybean commodity prices have led to a relative downturn in demand for

the companies’ equipment, although they still remain highly profitable, with CNH reporting over \$1 billion in net income for the year as of last week.

Deere has aggressively slashed jobs over the past two years, laying off 2,600 hourly workers in Iowa and Illinois, approximately 25 percent of its UAW workforce.

While CNH has stated the Burlington factory closure would take place in mid-2026, it is already escalating its attacks on jobs. On November 11, UAW Local 807 announced that the company was implementing “temporary” layoffs in Burlington beginning December 3, with some workers not scheduled to be recalled until “mid-June 2025.” The callous move by CNH means that workers will be placed under significant financial strain heading into the Christmas holiday.

Similarly, Deere is idling its Ottumwa Works plant in southeast Iowa from December through January. The company previously announced that it was slashing over 100 jobs at the factory through early retirement incentives.

Organize rank-and-file committees at CNH to fight job cuts and concessions!

In describing the Burlington plant closure as “tentative,” CNH executives are clearly seeking at a minimum to extract massive further concessions in wages, benefits and working conditions, with the mid-2026 closure timed to coincide with the end of the current UAW contract. CNH has said that it will engage in a “decision bargaining process” with the UAW over the ultimate fate of the plant.

Whether at CNH, Deere, Caterpillar or at the Big Three automakers, the UAW bureaucracy has worked time and again with management to lower wages and shred benefits in the name of “saving” jobs. But decade after decade, concessions have been followed by further job cuts and plant closures, as the corporations relentlessly seek to slash costs and pump out more profits from workers.

The history of the Burlington plant itself exemplifies this process. Jobs have fallen precipitously, from a high of around 2,000 in the 1980s falling to nearly 800 as recently as 10 years ago as the UAW forced through contracts with lower wage and benefit tiers.

Corporate threats of job cuts have also been used repeatedly to extort state tax handouts. From 1997 onwards, CNH received \$28 million in tax subsidies from the state of Iowa alone under both Republican and Democratic governments.

Union officials have already made clear that they will not seriously

oppose the threatened plant closure. In a statement on November 8, Local 807 wrote that they were merely “encouraging” CNH to reconsider its decision, and, failing that, supposedly seeking to ensure “fair and dignified treatment for our members in the event of a closure.” Such a statement demonstrates once again that the UAW apparatus operates as essentially an arm of management.

The jobs at the Burlington plant can and must be saved, but that will only be achieved by workers mounting a rebellion from below. CNH workers should form rank-and-file committees in order to link up with workers throughout the region—including workers at CNH’s suppliers, as well as at John Deere, Caterpillar, and elsewhere—and coordinate collective actions to defend jobs across the construction and agricultural implement industries.

The 2022-2023 CNH strike

CNH workers demonstrated enormous courage and determination in the course of the 2022-2023 strike.

Aware that they would not be able to get the company’s cost-cutting contract passed at the outset, the UAW apparatus proceeded to isolate and starve CNH workers on the picket line with initially just \$275 a week in strike pay, later rising to \$400, still a pittance compared to the union’s \$800 million-plus strike fund.

The strike coincided with the first-ever direct elections for the UAW national leadership. However, the UAW leadership conspired to keep the vast majority of UAW members uninformed about the vote. Will Lehman—a rank-and-file Mack Trucks worker and candidate for UAW president—sought to inform and mobilize the UAW membership about the CNH strike, which the national union apparatus had almost entirely blacked out. Lehman called for CNH workers to be given full strike pay out of the UAW’s massive strike fund.

In October 2022, supporters of Lehman’s campaign visited the CNH picket lines, finding support for Lehman’s call to abolish the UAW bureaucracy and place all decision-making power in the hands of the rank and file.

In early January 2023, CNH workers defiantly rejected the company’s “last, best and final offer” even after the strike had already been ongoing for eight months. While UAW local officials in Wisconsin had sought to distance themselves from the deal, the union bureaucracy worked with the company to bring a supposedly “improved” final offer to a vote just two weeks later. The UAW made clear it would do nothing to stop the company’s threats to hire permanent replacements if workers again rejected the agreement. Despite the efforts to intimidate workers, nearly 40 percent voted against the contract.

The 2023 sellout contract was hailed as a success at the time by then UAW President Ray Curry, as well as UAW Vice President Chuck Browning (head of the union’s agricultural implement department) and Region 4 Director Brandon Campbell. Browning played a central role in the betrayal of the 2021 John Deere strike and remains in his current position, as does Campbell.

closure announcement at CNH just it has blocked any fight against job cuts at John Deere, General Motors, Ford and Stellantis.

Fain and the UAW bureaucracy sabotaged and betrayed the 2023 contract struggle at the Big Three automakers, limiting workers to impotent “stand-up strikes” that left the large majority of plants operating and producing profits.

Contrary to the claims in the media of “record” contracts resulting from the strikes, the UAW agreements have enabled each of the automakers to fire and lay off thousands of workers since the start of the year.

In recent weeks, GM announced the termination of 1,000 salaried workers, while Stellantis has laid off another 1,100 workers at its Jeep complex in Toledo, along with other cuts in Michigan and Indiana. The job losses are part of a global assault on autoworkers’ jobs, with Volkswagen announcing recently announcing plans to cut tens of thousands of jobs and close multiple plants in Germany.

Fain has sought to deflect growing anger among workers with a phony “Keep the Promise” campaign targeting Stellantis, which has delayed its reopening of a Jeep assembly plant in Belvidere, Illinois. But the despite much bluster and threatened strike action, the UAW has not called any walkouts, while the layoffs continue to expand.

There is an intimate connection between the attacks on jobs at Stellantis and CNH: CNH’s largest shareholder is Exor, the holding company of the Agnelli family, a billionaire dynasty based in Italy. The Agnelli made their fortune through the exploitation of generations of Fiat autoworkers. The Agnelli have a controlling stake in Stellantis, the world’s fifth-largest auto conglomerate, which was formed from the merger of Fiat Chrysler and France’s PSA Group in 2021. The company produces over a dozen brands, including Jeep, Dodge, and Chrysler in the US.

Fain and the UAW have sought to divert anger over layoffs and stagnating wages along nationalist lines, demagogically criticizing “foreign” company executives such as Stellantis CEO Carlos Tavares for cutting jobs. But the reality is that workers in every country confront exploitation by a corporate and financial oligarchy and giant transnational corporations, regardless of whether their headquarters are in Britain, the Netherlands, Michigan, or Illinois.

The right to a good-paying job can only be secured through the international unification of the working class, which will inevitably take the form of a rebellion against the pro-corporate union bureaucracies.

To fight back, CNH workers should join the International Workers Alliance of Rank-and-File Committees (IWA-RFC), which is calling for a global campaign to stop job cuts in the auto and other industries in a statement last week. The IWA-RFC explained in its statement on October 29 that it “rejects the ‘right’ of the capitalists to control production to maximize profit by driving workers into the ground. Instead, we fight to realize the social rights of the working class through workers’ control over production, through the transformation of the giant corporations into public utilities.”



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Unite with autoworkers to fight mass job cuts!

The administration of national UAW President Shawn Fain, who succeeded Ray Curry after running as a supposed union “reformer” in an election marred by massive voter suppression, has ignored the plant