Profits for shareholders, pink slips for workers: John Deere cuts 238 jobs

George Gallanis
18 August 2025

John Deere, the international agricultural equipment manufacturer headquartered in Moline, Illinois, recently announced the elimination of hundreds of jobs across its Midwest factories—238 in Iowa and Illinois. Deere justified the layoffs as a response to "decreased demand and lower order volumes."

The cuts include 115 workers at Harvester Works in East Moline, IL, on August 29; 71 at the Waterloo, IA, Foundry on September 19; and 52 at the Seeding and Cylinder facility in Moline, IL, on September 26.

For these working-class families and other communities already devastated by decades of deindustrialization, the announcement is a crushing blow. Deere's layoffs are not isolated, but part of a broader wave of job destruction sweeping American manufacturing and agriculture as part of the ruling class's relentless drive to profit.

Deere's most recent earnings report for Q3 2025 showed net income of $1.29 billion, down from $1.73 billion a year earlier, with sales falling about 9 percent to $12.02 billion. The company cut its full-year profit forecast to $4.75 to $5.25 billion, narrowing from a prior high of $5.5 billion. Deere cited weak equipment demand, falling crop prices, high input costs, interest rates, and a glut of used machinery on the market, along with tariff-related costs expected to total around $600 million.

The decline in profits at Deere cannot be separated from the deepening crisis in American agriculture. Farmers are squeezed by falling commodity prices, soaring input costs for seed, fertilizer, and fuel, and by crushing levels of debt. Many are unable to afford new equipment, leading to stagnation in demand.

Meanwhile, the tariffs initiated under the Trump administration, ranging from 10 percent up to 40 or even 50 percent, are having a devastating impact on workers across the United States, with their full effects only beginning to be felt. Deere has already warned of hundreds of millions of dollars in losses tied to tariffs.

These measures, sold under the fraudulent banner of "protecting American workers," have in fact created a devastating scenario for workers while doing nothing to safeguard jobs. As the WSWS recently warned, Trump's tariffs "will be paid for by the working class as the effect of the tariff hikes flows through the entire economy, bringing rising prices and increased job destruction—that is the inexorable logic of the capitalist profit system."

Nonetheless, Deere is swimming in cash. As of April 2025, Deere reported holding $9.26 billion in cash and cash equivalents, while its share price had climbed 184 percent over the past five years. Despite declining sales, Deere continues to pay dividends to its shareholders, including the investment firm BlackRock, at an annual rate of $6.48 per share, or $1.62 per share quarterly.

Deere's latest round of layoffs builds on a history of thousands of job cuts in recent years. Left in the hands of the corporation—and the United Auto Workers (UAW) union, for that matter—these will not be the last.

The UAW bureaucrats and local presidents are sitting in their air-conditioned offices doing nothing as the layoffs take place.

Workers must draw the sharpest lessons from their own recent experiences. In 2021, Deere workers waged a determined struggle against the company and the UAW. After rejecting two sellout contracts, workers struck for more than a month.

But the UAW bureaucracy, working hand-in-hand with Deere management, imposed a rotten contract that

© World Socialist Web Site

met none of the workers' central demands. It entrenched the hated tier system, provided wage increases far below inflation, and handed management a free hand to continue its attacks. The contract was pushed through despite widespread opposition.

Today, as Deere announces new layoffs, the UAW bureaucracy has no intention of mobilizing a struggle. It functions as a labor-police force, enforcing the dictates of the corporations against the rank and file.

The cuts will not only leave workers shorthanded, but will also lead to greater demands on them and more dangerous working conditions. Most recently, Anthony S. "Tony" LeCleir, 55, of Davenport, Iowa, died from injuries sustained in a workplace accident on October 20, 2023 at John Deere's North American Parts Distribution Center (PDC) in Milan, Illinois. LeCleir had worked for Deere for 19 years and was a member of United Auto Workers Local 79.

Speaking to the WSWS about the death of LeCleir, a worker described "an overall disregard for safety by management and the UAW, as well as speed-up and intense demands to hit productivity goals."

The most recent and horrific death of Stellantis worker Ronald Adams Sr. in April tragically confirms this once more, completely exposing the UAW, which has collaborated with management and government regulators to cover up conditions that directly cost workers their lives.

The International Workers Alliance of Rank-and-File Committees (IWA-RFC) has launched an investigation into the death of Adams. At a public meeting held on July 27 in Detroit, Mack Trucks worker Will Lehman—a 2022 socialist candidate for UAW president and a leading member of the IWA-RFC—introduced a resolution calling for the continuation of the investigation, the formation of rank-and-file committees, and the launch of an international campaign to protect and defend the lives of workers. The resolution passed unanimously.

Deere workers should take up this call. The layoffs and attacks against workers are not the exception but the rule. Workers across the world face the same mounting challenges and dangers: joblessness, injury and death. The unions everywhere are thoroughly intertwined with the rotten, for-profit capitalist order. They long ago abandoned any principled defense of workers and now serve as direct tools of capital to sabotage any genuine movement of the working class.

The time is now to take up the fight and form rank-and-file committees across plants in the Midwest, throughout the United States, and in sister plants across the globe.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site