

LABOR PERISCOPE

There's more to the rubber strike than meets the eye

The selective strike by 8,200 members of the United Rubberworkers union against Uniroyal, the nation's third largest rubber producer, entered its second week with no end in sight. The negotiations are stalemated as both sides await the outcome of a union-initiated suit charging the federal government with illegal interference in the negotiating process. The suit claims that government officials, including inflation czar Alfred Khan and Council on Wage and Price Stability head Barry Bosworth have blocked potential contracts by threatening Uniroyal with "government sanctions" if they break the Carter 7 percent wage guidelines.

URW President Peter Bommarito claims that Uniroyal had agreed last month to a "pacesetter contract" calling for wages and benefits well in excess of the government guidelines, only to later reject the package following government pressure.

While this Carter-forced test-of-wills continues, our sources report that some nasty in-fighting within both Uniroyal and the rubber industry contributed to producing the strike. It is well known within Uniroyal, that the company is being run by its chemical-division oriented management.

As a matter of fact, Uniroyal is undergoing a major retrenchment which pushes investment in

its chemical and non-tiremaking lines. According to at least one source, Uniroyal's chemical management has been looting its tire division for some time. Industry insiders report that a long strike might give the "chemical boys" the needed impetus to move to scrap the tiremaking line completely. Our sources also report that the "cost management people," who authored the tiremaking disinvestment policy, are the ones pushing the confrontation with the union. If government sanctions are applied, they claim, it would hit the non-tiremaking divisions as well. They are receiving backing from the company's Wall Street investment bankers.

All this seems to suit the other rubbermakers—Goodyear, Goodrich, and the much-attacked Firestone—who would welcome a further cartelization of the industry. It also seems to suit General Motors, which purchases most of Uniroyal's tires. They have reportedly applied the pressure by informing company officials that GM would take its business elsewhere if the company agrees to a contract above the guidelines. GM has stockpiled tires for a long strike.

Sources close to the negotiations say that unless there is a major shift in the situation, the strike could drag on well into the summer. The last URW strike in

1975 lasted more than 150 days.

Airline strike continues

The strike by the International Association of Machinists (IAM) against United Airlines, the nation's largest commercial carrier drags on with negotiations at an impasse. Now in its seventh week, the strike has shut down UAL operations. Shippers report that for all practical purposes reliable, cheap air freight is now impossible, forcing them to shift to other modes. From the passenger side, coupled with the disastrous effects of airline deregulation on service, the overload created by the strike has made obtaining commuter seats, especially to out-of-the-way cities, extremely difficult. Here, as in the rubber strike, the Carter guidelines policy continues to stymie negotiators.

Meanwhile, other Carter-program forced strikes appear likely. The contract expires next month for most warehouses and food-processing facilities organized by the Teamsters and the International Longshore and Warehouseman's Union (ILWU). Toward the end of the month, contracts expire covering over 60,000 workers in the electrical equipment industry and between the Teamsters and the haulers of automobiles.

—L. Wolfe and M. Moriarty