

Teamsters' UPS victory can be a turning point

by Edward Spannaus

"Our fight for good jobs in America marks an historic turning point for working people in this country," said International Brotherhood of Teamsters President Ron Carey, shortly after the settlement in the strike against United Parcel Service was announced, early in the morning of Aug. 19. Carey recalled what had happened in 1982, when the strike of the traffic controllers union, PATCO, was broken, and that union was wiped out. "For 15 years after that, employers all across the country cut jobs, cut pensions, cut health coverage, and stepped on workers' rights," Carey said. "Working people were on the run. . . . This strike marks a new era. . . . This victory sends a signal that American workers are on the move again. After 15 years of taking it on the chin, working families are telling big companies that we will fight for the American dream. This is not just a Teamster victory, this is a victory for all working people."

By all accounts, the settlement between United Parcel Service (UPS) and the International Brotherhood of Teamsters (IBT) was a clear-cut victory for the union. Teamsters President Carey said that the final settlement was very close to the union's final proposal to UPS, made just prior to the strike. The major concession made by the union is that the contract will run for five years, instead of the three originally proposed.

According to Carey (and not disputed by the company), the major features of the settlement are that the pension plan remains under union control, as opposed to the UPS demand that UPS workers be under a separate UPS pension plan; that UPS will create 10,000 new full-time jobs by combining part-time jobs over the five-year contract period; wage increases will be granted to both full-time and part-time workers, and there will be increases in benefits from the pension plan, and the health and welfare plan; there will be additional safety protection for workers who handle heavy packages; and sub-

contracting out of work is to end, except for during the Christmas season.

LaRouche points to 'chiseling'

Lyndon LaRouche, the American statesman and economist who has declared his intention to run for President in 2000, was somewhat more qualified in his assessment of the victory, calling it a "turning point, or a potential turning point," and saying that "we have good reason to be happy about it."

Focussing on the issue of part-time jobs, a central theme of the Teamsters' strike, LaRouche said that the use of part-time workers is "simply a way of chiseling, to turn the suffering of families who are often working two and three part-time jobs to survive, and turning their suffering into leveragable profits on Wall Street."

LaRouche pointed out that these questions of low-wage, part-time jobs, and the lack of adequate benefits, had been taken up by Sens. Tom Daschle (D-S.D.), Jeff Bingaman (D-N.M.), and Edward Kennedy (D-Mass.), Rep. Richard Gephardt (D-Mo.), and other leading Democrats in the Congress in the first half of 1996. This was something "which I supported rather strongly," LaRouche said, adding: "It got lost, about the time that the President decided not to veto the welfare bill. Now it's come back to haunt those who wouldn't pay attention."

"We've got to have a society which is based on the principle that his nation exists for the benefit of all of its people and their posterity. It does not exist for the purpose of making people rich, without regard to the costs and suffering by the population as a whole. If people want to do business with, or in the United States, they ought to be willing, or *forced* to meet the standard of compensation for our working people and our population, in terms of tax payments, and contribu-

tions, things like that, which are necessary for this country to meet its constitutional responsibility to the general welfare of each and all of our citizens and our posterity, and that's what this strike is really about. It's a fight to try to reverse a trend toward barbarism which has taken over this country increasingly in the past 25 years."

An optimistic perspective

The initial results of the UPS strike, the largest U.S. labor action in 25 years, are likely to be an increase in optimism within the labor movement, especially in the United States, but also with international spillovers. While no major new actions are on the agenda, the determination to stand up for the dignity of labor, in a situation where competition for low-wage jobs remains fierce, is a critical starting point.

The question called by the UPS strike drives at the heart of what kind of economy the United States is going to have. A prosperous industrial economy, as has not been seen in the United States for approximately 30 years, depends upon long-term investment in labor skills, education, and physical infrastructure. This is the very antithesis of the quick-buck economy which has built up over this 30-year period, as reflected not only in the gambling fever on the markets, but also on the disinvestment in infrastructure and the workforce.

A reading of the U.S. business press indicates that those who have counted on submission to the low-wage, globalized regime of the last 25 years, are well aware of the threat the UPS strike victory represents. Papers such as the *Wall Street Journal* and the *New York Times* argued that it will take a lot more to reverse the rout of labor, and reminded their readers of the success of the policy of suppressing wages in the name of "controlling inflation," a policy the Federal Reserve Board, for one, has continually insisted upon.

In fact, it will take a broad political fight by labor, along with others, in order to reverse the dramatic economic decline in living standards which has gone along with the post-industrial regime of usury. This will become increasingly obvious as the bankrupt global financial system writhes violently in its death agony. In this context, the degree of support for the financial reorganization and economic reconstruction ideas put forward by economist LaRouche, will be a major determinant of whether labor's current victory, can be expanded, and secured.

Support for the Teamsters' strike

The Teamster strike against UPS enjoyed widespread public support, with the union making the issue of low-wage, part-time jobs a central issue.

During television interviews on the Sunday talk shows on Aug. 17, UPS Chairman Joseph Kelly was particularly upset about the Teamsters' call for a Day of Action for Thursday, Aug. 21, calling it "almost irresponsible," among other things. There were at least 300 events planned nationwide for the

Day of Action, many of which did occur despite the settlement of the strike.

One of the first things IBT President Carey did, in his first press conference announcing the strike settlement, was to say that the Day of Action would go ahead, but with a somewhat different focus. "People will be celebrating our victory over corporate greed," Carey said, "but more than that, people will be showing their support for other workers, for standing up for the great American dream. Non-union workers will be talking about how this victory has inspired them to fight for the future, just as UPS workers did."

Carey said that it was no accident that workers from Federal Express had joined picket lines with the Teamsters in Indianapolis, New York, Philadelphia, and other places. "The FedEx workers know our fight is their fight. If your company comes to you and says they want to shift your job to part time, temporary, or subcontract it to a low-wage firm overseas, you have to be organized, you have to have leverage in order to do something about it."

Also highly significant was the organizing which the Teamsters and the AFL-CIO were doing in Europe around the strike. Already last May, Teamster representatives had held meetings with European unions, and then organized a Day of Action with events in Germany, Italy, Belgium, and other countries. During the recent strike, Teamsters officials were travelling around Europe to organize support. Before the strike was settled, union officials from throughout Europe were scheduled to meet on Aug. 21 in Brussels to discuss possible actions against UPS, including job actions where they are legal, said Andy Banks, a Teamsters international affairs representative. AFL-CIO Secretary-Treasurer Richard Trumka was planning to be in Brussels, with European labor leaders from both the International Transport Workers Federation and the International Confederation of Free Trade Unions.

"UPS is part of the new economy, a modern high-tech money-making machine with global reach," Trumka said. "I think what workers are saying is, if the best we can expect in this new economy is part-time jobs, we're in big trouble."

NAFTA throw-away jobs and workers

Speaking after the settlement, IBT President Carey also pointed to the importance of the Congressional debate over fast-track authority for the North American Free Trade Agreement coming up. "It's all the same fight because what NAFTA really does is help corporations subcontract, not just to other countries, but to other companies as well," he said.

"It's all a part of the same throw-away worker concept: Throw away the jobs of American workers," Carey said. "Exploit workers in countries like Mexico for \$4 a day, and then, if they start to get organized, move from one place to another. It's got to stop, and stopping fast track will be the kind of thing we need to do and the things in terms of unity for working people that they have showed during the past two weeks."