In major escalation against strike, Boeing announces plan to cut 10 percent of its workforce

Bryan Dyne 11 October 2024

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In a new provocation against the month-long strike by 33,000 machinists, Boeing announced on Friday plans to lay off 10 percent of its workforce, or around 17,000 people.

The company also announced that it is delaying production of its new 777X, with first delivery now expected in 2026, and wrote that it will end production of its 767 freighter airplanes in 2027, after the current orders of the aircraft are built and delivered.

The announcement came only days after Boeing walked out of mediated talks and withdrew the offer of a 30 percent pay increase it had made late last month. Provocatively bypassing negotiations and going straight to the press, Boeing had "offered" workers a 30 percent wage increase, below the 40 percent demanded by workers and only 5 percent above the deal workers had earlier rejected to trigger the strike. It also would not have restored the company pension, which was stolen from workers through a contract extension rammed through with the help of the bureaucracy of the International Association of Machinists (IAM) in 2014.

That proposal was itself a trial balloon designed to test workers' resolve after nearly two weeks on strike. The union bureaucracy, desperate to contain the rankand-file anger, only denounced the offer nine hours later once it became clear it had no chance of passing.

It is clear that Boeing is taking an increasingly hard line against the strike. It is losing between \$1 billion and \$3.5 billion a month due to the strike, and its credit rating is on the verge of being downgraded to junk status. More broadly, it is determined to make workers pay for the crisis which has erupted over safety issues, driven by ruthless speedup and cost-cutting, which have plagued its aircraft.

In a move designed to ratchet up pressure on the bureaucracy to end the strike, Boeing has also filed an unfair labor practice charge against the IAM, claiming that the union bureaucracy engaged in a "pattern of bad faith bargaining, and of issuing misinformation to its members about the status of negotiations."

The situation urgently requires workers take matters into their own hands. They must oppose the attempts of the IAM bureaucracy to soften them up on \$250 a week in strike pay and fan out for support among workers in key industries across the US and the world. The Boeing Workers Rank-and-File Committee must be built as an alternative leadership structure, accountable to workers themselves, against both management and the sellout union bureaucrats.

Workers must also prepare for a fight against the corporate political establishment. That the company is able to take this stance is due to the support it has from the government. The White House, which worked with the longshoremen's union to shut down last week's docks strike without a new deal, is now turning its attention to shutting down the Boeing strike. Both walkouts have had the potential to disrupt US war plans, with the docks being key to moving military equipment and Boeing a major defense contractor.

US Transportation Secretary Pete Buttigeg told reporters on Thursday that the government wanted an agreement that was "compatible with business succeeding" and that with "each passing day it

becomes more important ... for them to come to terms." Buttigieg made these remarks in response to a question about whether the White House was concerned about the impact of the strike on aerospace supply chains.

With these words, the Biden administration is giving the IAM bureaucracy its marching orders to shut down the strike as soon as possible. It cannot allow this strike to continue jeopardizing the operations of a major US manufacturing giant. Boeing is a major defense contractor providing aircraft and bombs not only to the US but to Israel, which is dropping Boeing-made weapons on Gaza and Lebanon, as well as to Ukraine and other US proxies.

Boeing's civilian aircraft production has a geostrategic significance in its own right. The company is a key exporter for US capitalism to compete against its rivals, in particular, against European competitor Airbus.

To date, nobody from Boeing has been held criminally responsible for undermining safety and contributing to hundreds of deaths, or charged in the suspicious deaths of two whistleblowers. Instead, the government continues to back these corporate criminals on a world stage, helping to broker major deals last year with airlines in India and Saudi Arabia.

If the bureaucracy is not able to shut down the strike, it is certain the government will try to intervene more openly, including through an injunction. In 2022, Biden went to Congress to block a strike in the railroad industry after workers rebelled against a pro-company contract offer brokered by the government.

On Wednesday, a group of 30 members of Congress led by Representative Pramila Jayapal (Democrat-Washington) wrote a letter to Boeing CEO Kelly Ortberg, International Association of Machinists (IAM) District 751 President Jon Holden and IAM International President Bryan Bryant, calling for both parties to "bargain in good faith to reach a contract in a timely manner."

The letter ended by asserting that "a timely agreement will benefit both parties involved," and that Congress "will continue to follow these negotiations closely."

The intervention of "progressive" Democrats in the strike is the other side of the government's push to shut the strike down. Many of the letter's signatories, including "democratic socialist" Alexandria Ocasio-

Cortez, voted in 2022 to ban the rail strike.

Declarations of "support" for strikes by pro-corporate Democrats are a kiss of death. Last year, Biden visited the picket lines of the limited "stand-up" strike and personally endorsed a new United Auto Workers contract. Since then, thousands of workers have lost their jobs under the deal's terms.

The four-week strike at Boeing has reached a crossroad. If workers are to win their demands for substantial pay increases, restoration of pensions and other demands, they must adopt a new strategy and not wait either for a government intervention or to be starved out by the union bureaucrats on the picket line, as they were in the 2008 strike.

Workers must meet the threats from Boeing with an escalation of their own. This includes a demand for a tripling of strike pay to show Boeing they mean business. But most importantly, they must establish fighting links with workers across the country and the world, mobilizing the strength of the working class to counter the hardline position of Boeing and the threat of government intervention.



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