

Why John Deere strike victory is a win for all workers

written by Scott Scheffer
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Striking John Deere workers picket in Davenport, Iowa, Oct. 14.

Ten thousand John Deere workers in five states, represented by the United Auto Workers, have won their five-week strike against the giant equipment manufacturer. The victory is unequivocal.

Their strike began during what was popularly called “Striketober,” when tens of thousands of workers walked out in strikes across the country. Exhausted and angry after being overworked and more underpaid than ever during the pandemic, strikers at unionized workplaces big and small are refusing more concessions, even as unorganized workers have rebelled against low wages and intense work schedules by quitting their jobs.

The win at John Deere stands out as one that breaks from the pattern established by at least 40 years of anti-union offensive, exacerbated by the pandemic. It is the most significant union victory for a private sector workforce in years.

It’ll take time to properly assess what has been gained in this recent upsurge, but there is no doubt that the period of historic pressure against unions and the working class in general won’t go on forever.

The success of the John Deere strikers was buoyed, at least in part, by dozens of other strikes and job actions.

During the five-week strike, the union members rejected two company offers before accepting a proposal. They won substantial wage increases and an \$8,500 bonus, regained quarterly cost-of-living adjustments that were lost in the 2015 negotiations, held on to their healthcare paid 100% by the company, and improved pensions, including those for new hires.

Workers’ rights to organize and fight back have been so eroded over the decades that Deere management negotiators were drunk with success. They thought they

could continue to gain ground against their workforce as they have in past years.

The company's first offer of a 5% wage increase – less than the rate of inflation – also proposed lowering pay hikes and axing pension plans for new hires. John Deere has used the two-tier wage system to beat down wages for more than 20 years.

[James Geiger told Time Magazine](#) that after 19 years of working at Deere, his wages and benefits still haven't reached the level of those hired before 1997.

The first offer was rejected by a whopping 90%. A second offer came closer on pay – an immediate 10% hike, 5% more in 2023 and 2025, an \$8,500 bonus and adding back quarterly cost-of-living adjustments.

It must have shocked the John Deere bosses that even their second offer, although a great improvement, was rejected by a 55% majority.

Working class solidarity

Over the years, the agricultural and heavy equipment company has been rewarded with government bailouts and tax credits as they shed workers by the thousands.

Like Amazon, Walmart and others, Deere — a Fortune 500 company — has profited from the suffering during the COVID-19 outbreak. The company's 2021 net income is projected to be \$5.9 billion. CEO John May received a 160% raise, bringing his pay to \$15.6 million. All of this contributed to John Deere workers' determination to turn things around.

After the second offer was voted down, support for the strike only grew. People from across the Midwest and from a variety of unions joined picket lines. A poll conducted by the Des Moines Register showed a spike in support of unions in general during the strike.

Other UAW workers raised funds and provided grocery vouchers. Stores near struck locations offered discounts on meals, free drinks, haircuts and recreational activities for strikers. The Retail, Wholesale and Department Store Union donated 8,000 pounds of food.

Other Deere workers organized by the International Association of Machinists walked out in support. Teamsters and Steel Workers refused to cross the picket lines. Plumbers and Pipefitters donated funds.

Early this year John Deere bosses were ready to cash in on the infrastructure bill soon to be passed by Congress. Building bridges and fixing roads raises the need for heavy equipment built by John Deere's workforce. As early as May, Deere stock was a top pick by Wall Street insiders.

Unable to get the workers to buckle and with no prospects of finding 10,000 skilled equipment builders, John Deere was forced to make an offer that met most of the workers' demands and lifted the prospects for the entire working class. On Nov. 17, an agreement was reached and accepted by 61% of the membership.

One important difference between the second and third offers is related to Deere's "Continuous Improvement Pay Plan." CIPP is a vehicle to use workers' innovations and ideas to increase production. Each department in every plant is obligated to present ideas in video form at plant-wide meetings.

Some of the ideas are put into use to improve production. When quotas are exceeded, pay is increased. The real result is that production always rises disproportionately higher than wages. Since the inception of CIPP, Deere has repeatedly raised production quotas.

Workers have been allowed to contribute their valuable ideas but, of course, had no say in production levels. The new contract allows grievances to challenge the

quotas.

The practice of linking wages and compensation to levels of production is a concession shoved down the throats of hundreds of thousands of workers as the anti-union offensive has ground on. It is a way to artificially tie the interests of workers to the fortunes of their bosses.

The John Deere workers' challenge to that practice, among all their other great gains, is a significant development for the working class.

