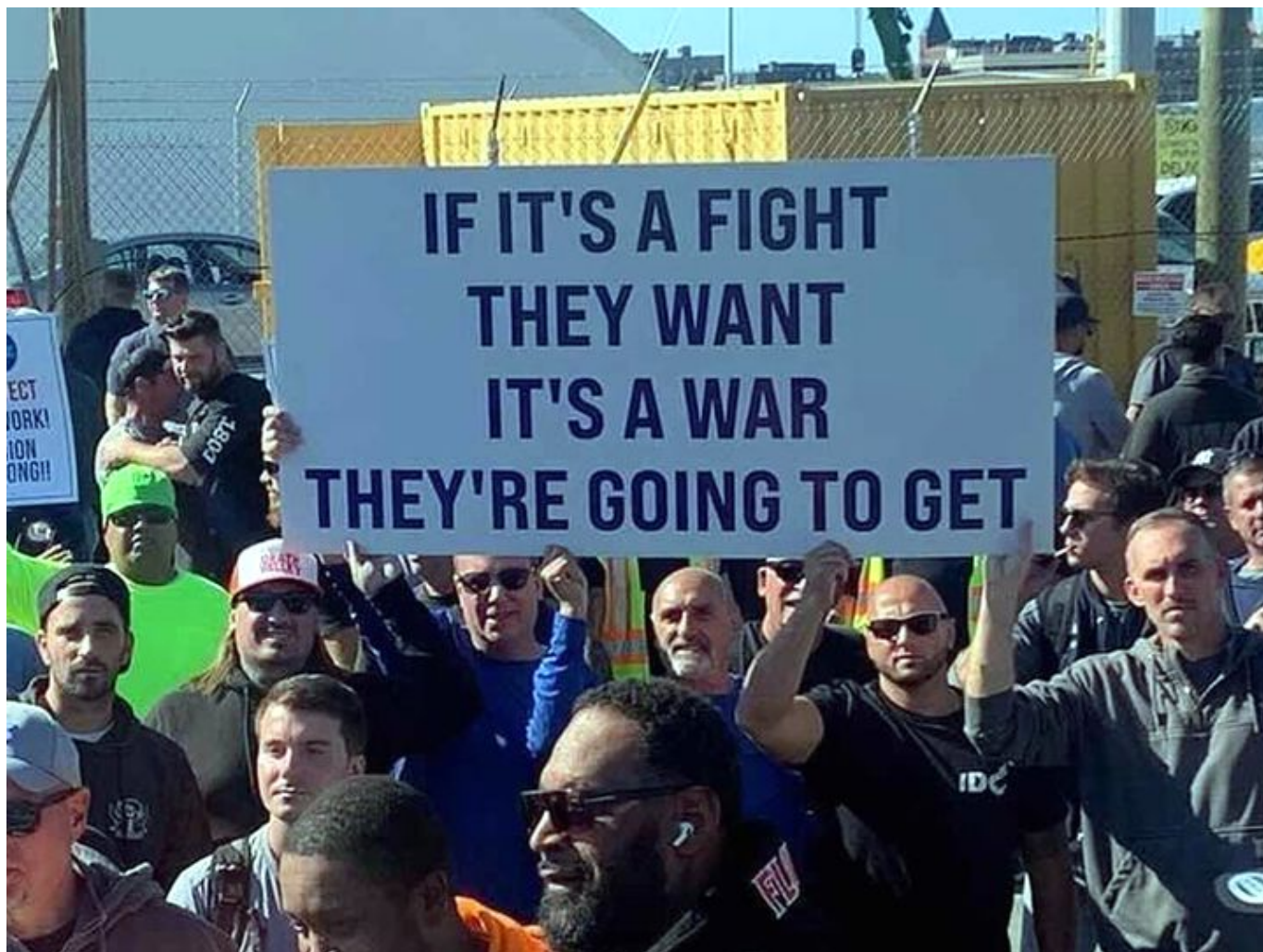




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Dockworkers vs. Big Money: ILA faces off against Wall Street

written by Lallan Schoenstein
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ILA prepares to strike on Oct. 1. Photo: ILAUnion.org

At the beginning of August, leaders of North America's largest dockworkers' union, the International Longshoremen's Association (ILA), sent the employer association, USMX, a strike notice that federal law requires 60 days before a strike.

When ILA delegates met on [Sept. 4 and 5](#), they reported that union members voiced unanimous support for a strike. As delegates discussed the demands and a strike strategy, ILA president Harold Daggett told the ILA members they must be prepared "to hit the streets at 12:01 on Tuesday, Oct. 1."

Longshore workers on the West Coast are in the International Longshore and Warehouse Union (ILWU). They deal with the country's biggest container volume. On the East Coast, the [five busiest](#) ports are covered by the ILA contract agreement with USMX: New York/New Jersey, Savannah, Houston, Virginia, and Charleston.

A strike by the ILA, which moves the trade at the ports along the East Coast, Gulf Coast, and Puerto Rico, would impact 43% of all U.S. imports and billions of dollars in trade every month.

Contract negotiations between the ILA and USMX began in 2022. The ILA demands are a wage increase, greater management contributions to retirement benefits, larger employer contributions to local benefits, higher starting pay, and a continuation of existing health care coverage.

The Real Story

On July 20, in an "Open Letter to the Public: The Real Story Behind Our Fight," Dennis Daggett, the son of Harold Daggett and the ILA Executive Vice President, told members that a priority in the negotiations is the demand for the retention of existing technology language that created a framework on how to modernize and improve efficiency while protecting jobs and hours.

The leadership of ILA has long been considered more conservative than the ILWU on the West Coast. The ILA says they have not been on strike in half a century since 1977. Faced with the pressures of globalization, imperialist wars, and climate change conditions, such as the drought threatening the Panama Canal, the leadership appears to be becoming more active by calling on the members to take defensive action.

In his open letter, Daggett, who is also a representative of the International Dockworkers Council (IDC), wrote:

“Over the past few years, the shipping industry has undergone a significant transformation. Many private equity firms like BlackRock, Vanguard, and State Street, which now own 88% of the companies on the S&P 500, have started to infiltrate our industry. Firms like BlackRock, focused solely on profits and return on investment, have partnered with companies like Mediterranean Shipping Company’s subsidiary, Terminal Investment Logistics (TIL), and others to acquire and build terminals worldwide. Their influence is growing, and it poses a direct threat to our livelihoods.

“A decade ago, ocean carriers decided to exit the terminal operating business to concentrate on their steamship lines and logistics. But now, in the aftermath of the pandemic, they are reclaiming control over terminals. This shift isn’t just about business strategy – it’s about controlling where and when they can place their cargo without dealing with third parties.

“For them, it’s about power and profits. For us, it’s about our jobs and the future of our families.

“BlackRock and other private equity firms don’t care about workers. They care about their bottom lines. They see automation as a way to increase profits, even if it means eliminating jobs historically performed by human beings. For the past two years, the ILA has been fighting to secure a new contract for our members, with our current contract expiring on Oct. 1, 2024. We know what we’re up against, and we’re ready to fight to protect and preserve our jobs and our industry.

“We’ve been paying close attention to the enormous profits ocean carriers, and terminal operators have made in recent years. ... These companies have raised rates on their customers to keep their profits soaring, but they refuse to share this wealth with the workers who helped them achieve these profits. Instead, they aim to cut costs further by eliminating jobs and attempting to automate our work.”



Chilean ILA members show their support for U.S. counterparts during contract negotiations. Photo: ILAUnion.org

Will Biden issue strike-breaking Taft-Hartley order?

When ILA president Harold Daggett spoke to the members in a video during the September delegates meeting, he said they were bargaining in good faith. He threatened a worker slowdown if the Biden administration forced the union workers back to the docks using the Taft-Hartley Act.

“Taft-Hartley means I have to go back to work [for 80 days] after a cooling off period,” said Daggett. “What do you think when I go back after those [80 days], that those men are going to go back to work on that pier? It’s going to cost them money. They’re going to be like this,” he said, making a gesture of putting his hands around his throat in a choke hold. The company’s money to pay their salaries while they go from 30 [container] moves an hour maybe to eight?” he said. “You’re better off sitting down and let’s get a contract, and let’s move on with this.”

During ILWU contract negotiations on the West Coast in 2023, longshore workers worked at a rate that created a logjam of trucking and rail containers. Union actions in recent years have impacted the global supply chain.

Intervening on behalf of the distribution companies, governments have been forcing union workers off the picket line and back onto the job.

The Canadian government intervened in contract negotiations this August. Trade between Canada and the U.S. was disrupted after Canadian freight rail workers, represented by the Teamsters, were [locked out](#) during contract negotiations by [Canadian National Railway](#) (CN) and [Canadian Pacific Kansas City](#).

The Canadian Teamsters issued a statement saying: “By resorting to binding arbitration, the government has allowed CN and CPKC to sidestep a union determined to protect rail safety. Despite claiming to value and honor the collective bargaining process, the federal government quickly used its authority to suspend it, mere hours after an employer-imposed work stoppage. This action mirrors their earlier interference this year, where they used the CIRB to stifle bargaining for months.”

Despite his claim to be “union-friendly,” U.S. President Joe Biden called on Congress to intervene in the stalled talks between railroads and some of the rail industry’s major unions. Congress passed legislation on Nov. 30, 2022, that enforced a rail labor agreement and blocked the workers’ right to strike.

Reflecting the pressure of the upcoming election and in a naked distortion of the truth, the Biden administration told CNBC during the first week of September, “We’ve never invoked Taft-Hartley to break a strike and are not considering doing so now.”

An ILA strike on Oct. 1 would impact not only the U.S. economy but the U.S.

elections as well. It may be a bargaining chip in the union's favor.

