

BEHIND THE BROWN CURTAIN....

Food Stamp Unionism and It's Discontents At United Parcel Service

By Gregory A. Butler, local 608 carpenter

On July 18, 2002, James P. "Junior" Hoffa, general president of the International Brotherhood of Teamsters, announced a "historic" collective bargaining agreement, covering 230,000 American Teamsters employed by the world's largest package shipping company, United Parcel Service.

It was a historic pact, alright..

Historically bad.

The "raise" in the agreement is only \$ 5 dollars over the life of the pact for the company's 97,000 \$ 23.50/hr full time employees, with \$ 6 dollars for the 133,000 part timers, who start out at only \$ 8.50/hr for a workweek that can be as short as 17.5 hours.

Depending on inflation, UPS workers might actually be making less in constant dollars when this proposed pact expires in 2008 than they are now.

And, that \$ 6 dollar raise for the part timers comes with a Catch-22 attached...new hires won't have the progression raises built into their base pay...they'll still start off at \$ 8.50 an hour, even in the last year of the new agreement, 6 years from now...

They'll get a 50 cent raise, if they manage to remain on the job for 90 days..no mean feat in a company with a 400% annual employee turnover rate and the worst OSHA record of any company in America.

To top that off, it's a 6 year agreement, the longest term for a UPS-IBT agreement since the company first signed with the Teamsters way back in 1916. This accelerates a bad trend..the 1997 pact was for 5 years, rather than the customary 3...who knows how long the 2008 collective bargaining agreement will be?

In fact, this is the longest collective bargaining agreement that the Teamsters have ever entered into with a transportation firm in the entire 102 year history of the union.

Most of the economic gains in the pact go right into the bottomless pit of the IBT's shaky Taft Hartley welfare and pension benefit funds, many of which have been, in effect, subsidized by UPS for most of the last 2 decades.

Those benefit funds are a cruel joke for many employees of big brown. Most UPS part timers will never get a dime of pension coverage, or even one doctor visit from the health insurance..for the crudely simple reason that most United Parcel Service part time workers quit, or leave on disability, long before they are eligible for benefits, let alone vested for a pension.

Besides the money, the non economic issues get short shrift too. UPS full timers will still face mandatory OT and 60 to 70 hour workweeks. A handful of high seniority part timers may get full time jobs at the end of the pact, but, the core of the company's truck load and package sorting operations in the centers will still be based on part time labor, as it has been for the last 40 years.

And, UPS will still be allowed to continue its abusive work practices, that give it the highest lost time injury rate in all of American industry, plus a 400 % employee turnover rate every year.

At the end of the day, NON UNION workers at FedEx will still have a higher starting pay rate. FedEx non union package handlers start at \$ 11...their Teamster counterparts at UPS only get \$ 8.50. And, the average FedEx part timer earns \$ 13.50 an hour..at UPS, \$ 10.72.

Since the average UPS part timer only gets 4 hours of work per day...many of these eight dollar Teamsters are actually eligible for food stamps, Section 8 housing assistance and state insurance for their kids.

Which is really pathetic....union members paying dues to get wages so low that many of them are eligible for food stamps.

To add insult to injury, the UPS Teamsters, along with the rest of the union, actually got a 14% DUES INCREASE this summer.

The Teamster bureaucracy will claim that, although FedEx workers make more in the envelope, UPS Teamsters get better benefits.

Yes..and no.

On paper, UPS 133,000 part timers have a great health benefit package, probably one of the best welfare plans in America.

But, out in the real world, the company's working conditions are so harsh and abusive, and the pay is so God damned low, that, as I mentioned above, big brown has a 400% annual employee turnover rate.

That is, they have to hire 920,000 people a year, just to maintain a headcount of 230,000.

Which means that MOST UPS TEAMSTERS DON'T STICK AROUND LONG ENOUGH TO EVER COLLECT ANY OF THOSE BENEFITS. That's why the benefits are so good on paper....most of the beneficiaries never collect one red cent of bennies.... The contributions made on their behalf by UPS go to, in effect, subsidize the union's financially sinking benefit and pension funds.

The fact is, Teamster Taft Hartley funds are on the rocks because the union has shrunk by 900,000 members in the last two decades, from 2.3 million members down to 1.4 million.

Most of that membership loss was in the union's onetime core jurisdictions - freight, warehouse, and local delivery drivers. Many Teamster employers either ripped up their union agreements outright..or, they used a "special commodity" agreement with the IBT to set up non union subsidiary..and then gradually shifted all of their business to that non union division.

But, a lot of those workers are still eligible for Teamster pension coverage. Even though their employers no longer pay into Teamster funds. Somebody's got to pay for those benefits....and UPS's contributions play a major role in plugging that hole...especially since most UPS Teamsters will never collect a dime in benefits.

That is the dirty little secret of the UPS-Teamsters relationship...the union bureaucracy actually financially benefits from high employee turnover at big brown..and has no incentive to make the place a better company to work at.

Now, some may say at this point..well, didn't the Teamsters win this great strike victory at UPS in 1997, led by the secular saint of the labor movement, the great Ron Carey?

Well...that's the official story, that you'll hear from the AFL-CIO leadership, labor studies professors and labor reporters from the mainstream corporate media.

Problem is, like most "official stories", it's just plain not true.

The famous 1997 agreement, despite the propaganda, was NOT about getting full time jobs for the company's then 80,000 part timers.

The issue was, UPS wanted to use it's pension and welfare fund contributions as investment capital..and the union wanted to keep control of those funds, to shore up the leaks in it's Taft Hartley funds, which were having the same fiscal problems they are today.

The part time issue was eyewash..intended to make the union look good in the media..and, to keep the part timers from scabbing en masse. Only a handful of high seniority part timers would have gotten jobs out of Carey's 1997 deal..no more than 10,000 at most.

At the time, UPS was expanding..and created 100,000 new Teamster jobs....47,000 full time...53,000 part time. The union could have demanded that the company create no new part time jobs..and reduce the number of new full time jobs by 13,500. The remaining 1.6 million new hours could have given every single one of UPS's 80,000 part timers an 8 hour day, and 40 hour week.

But, that would abolish UPS's whole part time labor-based truck loading and package sorting system, in effect since 1962..and, would have only added 32,500 new dues payers to the IBT.

Of course, neither Carey nor UPS would want such a deal...the part timers surely would..but, after all, neither the union nor the company gives a damn about what they want. So, that idea was never considered.

I'll talk about that in more detail below.

The cold hard fact of the story is, UPS' part time Teamsters are the victims of a Rikers Island-style no Vaseline screwjob by the bosses of the Teamsters union, and have been taking it in the shorts from their own union since 1962.

That was the year that another union boss hero, Jimmy Hoffa Sr, let UPS use an unlimited number of part timers, and pay them a lower pay scale.

That deal has continued in every UPS Teamsters agreement from that day to this...yes, even in the great Ron Carey's 1997 national agreement.

Bottom line, UPS pays Burger King wages to it's part time Teamsters, and treats all of it's employees like they are inmates in a minimum security correctional facility. The union knows it..and they're in on the scam.

Why does the Teamsters, "America's strongest union", knuckle under to "big brown"?

Simple.

The cold hard fact is, thanks to years of making "deals" with unionized employers at the expense of the membership, the Teamsters union is, tragically, in a tailspin. As I mentioned above, the union has shrunk from 2.3 million members to 1.4..and that membership loss crisis continues unabated.

Especially in road freight..where union density has fallen from 80% to under 10%..and just about every "union" trucking employer openly operates non union subsidiaries.

The sad fact about that is, as I mentioned above, the union actually signed a rider to the 1973 National Master Freight Agreement [NMFA] that LET THESE UNION COMPANIES OPENLY OPERATE NON UNION SUBSIDIARIES.

Even UPS, the "largest Teamster employer", has non union subsidiaries. One of which, UPS Logistics, is rapidly becoming the leading non union carhauling firm in America..taking away hundreds of Teamster jobs from union carhaul outfits like Allied and Ryder.

I've explored the crisis in the Teamsters at length on GANGBOX, at :

<http://groups.yahoo.com/group/gangbox/message/3>

<http://groups.yahoo.com/group/gangbox/message/1095>

<http://groups.yahoo.com/group/gangbox/message/1793>

<http://groups.yahoo.com/group/gangbox/message/1877>

<http://groups.yahoo.com/group/gangbox/message/2325>

<http://groups.yahoo.com/group/gangbox/message/2729>

<http://groups.yahoo.com/group/gangbox/message/3596>

<http://groups.yahoo.com/group/gangbox/message/4380>

<http://groups.yahoo.com/group/gangbox/message/4855>

<http://groups.yahoo.com/group/gangbox/message/5327>

<http://groups.yahoo.com/group/gangbox/message/5359>

<http://groups.yahoo.com/group/gangbox/message/7878>

and

<http://groups.yahoo.com/group/gangbox/message/8601>

One aspect of this crisis is financial..as I said above, the union's welfare and pension funds are in crisis..since the contributions by current members cannot cover the obligations of the existing retiree pool.

UPS is a major help in dealing with this crisis..because most UPS workers quit after just a few weeks on the job, the contributions for pension and health insurance come in on their behalf..but never get paid out.... That money then gets used for other, non UPS, Teamsters.

Also, the initiation fees paid by those 920,000 new hires a year go straight to the international union treasury at the "Marble Palace" in Washington..and all that cash really comes in handy for a rapidly shrinking union.

That's the reality of the ugly relationship between big brown and the leadership of the Teamsters, a reality that the union bureaucracy doesn't like to talk about.

Let's take a look.

The corporation now known as United Parcel Service was founded as the American Messenger Service in Seattle in 1907, by one James E. Casey, a 19 year old bike messenger. Yes, back then, they didn't have the familiar dark brown "package car" trucks of today..they were a humble bicycle messenger service.

Casey started out with 6 messengers and a customer service-oriented attitude..his slogan was "Best Service, Lowest Rates". The company that would later become UPS was in the department store delivery business.

Back in those days, most folks didn't have cars. So, when people went shopping, they had to lug all their purchases back home on the trolley or bus..which could be really inconvenient if you'd brought a lot of stuff that day.

Enter Jim Casey's company. They'd pick up your purchases, and deliver them to your house, while you took the bus or trolley home.

UPS rapidly expanded during these years..by 1916, the firm was big enough that Casey asked the Teamsters to organize his firm. At that time, nearly all local delivery companies were organized by the IBT, so it was a business necessity for UPS to be a Teamster signatory firm. By the end of the 1920's UPS was a national firm, and the leader in it's market segment.

Unlike today, UPS at that time wasn't that much different from the average unionized local drayage company. Like all Teamster-represented trucking companies, UPS paid it's workers an 8 hour minimum, and, except for a few casuals and seasonal helpers hired during the Christmas holidays, all of the Teamster workforce had a full time 5 day a week schedule. Also, almost all UPS workers got the same pay scale.

The only thing that really made UPS stand out was Casey's "welfare capitalism" type corporate structure.

UPS was not a regular corporation...instead, they were structured as a partnership..with only the founders, supervisors and other management personnel as the partners. No members of the general public were permitted to have an equity stake in United Parcel.

UPS would remain that way well into the late 1990's.

The company's private corporate structure gave it's management an independence from bankers and capital markets that's rare in Corporate America..

By contrast, the management at public corporations (firms that let anybody buy their stock) are subject to constant outside pressure, routinely dictated to and micro-managed by investment banks, brokerage houses, and major stockholders.

This independence made United Parcel Service uniquely flexible to deal with changes in their business environment...a flexibility that really came in handy during the late 1950's.

The department store business had changed, and so had UPS's customer base. Most Americans now owned cars, and no longer took public transit to go shopping. Also, the GI Bill had led millions of people to move to the suburbs..and, with the rise of the shopping mall, the department stores followed them. These factors greatly shrank the market for deliveries from downtown stores to consumer's homes.

That might have killed United Parcel Service as a business...but, Jim Casey and his management team decided to seek out a whole new market. UPS management decided to get into delivering

mail order packages.. And, to do that, they'd have to go head to head with the United States Post Office Department for Parcel Post packages.

For UPS to do that successfully, the company had to be transformed. UPS needed a network of local service centers, and over the road tractor trailer trucks (in UPS jargon "feeder trucks") to deliver packages between centers. They also needed a much more rigidly disciplined workforce, to meet very tight time deadlines...and the ability to ruthlessly punish, and if necessary, fire, anybody who didn't run fast enough.

Above all..UPS needed a large pool of labor to quickly unload the "package cars" (UPSspeak for delivery vans) in the afternoons ..another pool of labor to sort those packages, and load and unload the feeder trucks in the middle of the night..and, in the early morning hours, a third pool of workers to load the package cars with the next day's deliveries.

This could have been done with workers on traditional 8 hour shifts. But, it would be easier to have 3 crews of night workers on 4 hour shifts. And, to beat the Post Office on labor costs..the part timers would have to be paid absolutely rock bottom wages, far below Teamster scale.

By the time Jim Casey retired in 1962, UPS was able to implement this plan. The Teamsters signed a special agreement, allowing UPS to use part time workers for the loading and sorting operations. UPS still had to pay those part timers the same scale as full timers, (they didn't get a two tier wage deal until 1982).

But, big brown was allowed to impose a brutal regime of almost prison-style discipline on it's employees, with the assurance that the union would let the firm do whatever it wanted to it's workers.

At the time of this agreement, the Teamsters was still run by the legendary James R. "Jimmy" Hoffa.

Unfortunately, Jimmy Hoffa the man has been eclipsed by JIMMY HOFFA the myth...the HOFFA of American labor folklore has become a larger than life figure, famous for his alleged militancy, and "always standing up for the little guy".

To this day, 27 years after his disappearance and likely murder, probably at the hands of his former associates from the world of organized crime, most Teamsters, and many other union members, firmly believe in the legend of Jimmy Hoffa.

The problem with folklore is...as exciting and romantic as the story may be...it's usually not true.

That's exactly the problem with the Jimmy Hoffa legend.

During his long years as a union boss, first with local 299, then with Joint Council 43, and later as general president of the IBT, Hoffa Sr. carefully built up this media myth that he was some kind of super militant, who always stood up to the companies and fought for the rights of the working man.

However, in the real world..it was night and day different.

Hoffa, like any business unionist, always carefully followed the lead of the employers..trying to never advocate for an independent position on behalf of his members unless he had no other choice.

That doesn't mean that Hoffa Sr was a bad guy..far from it..that's just how business unionism works.

The bosses of business unions believe in the capitalistic system, they believe in business, they believe that the employer knows best.. These labor leaders generally view workers who complain about management abuses as "troublemakers" or "malcontents". Business unionist labor bosses simply cannot envision workers having their own ideas about how a company should run it's business..that's just beyond their comprehension, it doesn't fit into the business unionist worldview.

That's exactly what happened in the UPS case...a "good union employer", UPS's Jim Casey, wanted concessions..and the union gave him what he wanted, no questions asked. It didn't matter to Hoffa that UPS Teamsters would be adversely affected...he felt that he was obligated to do what the bosses asked.

UPS's workers were not able to mount any kind of concerted answer to Casey's proposals, of course...they were scattered across the country, with no union body uniting them on a national level.

It almost goes without saying that the Teamster locals that represented UPS workers also never dreamed of resisting these massive concessions. That's just not the business unionist way.

Also, for years Casey had cultivated this whole elaborate "welfare capitalist" image of himself and his management team.. Many UPS workers, heavily influenced by years of this propaganda, looked upon the company as a "family", and wouldn't dream of questioning company policy.

At that time, UPS didn't even have a national agreement..just a series of local agreements, bargained separately. It was just a matter of getting every local to agree to the concessions..and, with Hoffa's support, that wasn't a problem. The local union bosses, themselves business unionists, would have probably agreed to these concessions anyway.

In fact, some of the local unions gave UPS deeper concessions than the international did. The Southern locals were the first to allow UPS to use unlimited part timers..by 1975, all UPS local agreements allowed unlimited use of part timers.

Those 1962 givebacks were a watershed in UPS history...post 1962 UPS became a very different company to work for.. While the old UPS was kind of a "family business"..the new United Parcel Service was run like an Army regiment..or a prison camp.

The company began rigidly timing every move it's employees made. The company ended up with a massive rulebook of "methods". There are several volumes of UPS "methods"..which are so rigid that they even define what hand you're supposed to hold your truck keys in!!!!

UPS also developed a "least best employee" method of discipline.

That is, if you are the slowest worker, EVEN IF YOU MEET THE PRODUCTION STANDARDS, you will be subject to intense harassment by supervisors, numerous "counseling" sessions..and, ultimately, you will be fired. Then, the next "least best employee" gets put in the hot seat.

Hand in hand with the "least best employee" system, United Parcel also imposed an incentive pay system..that is, drivers would be paid more if they got their work done faster. That is, if your route was, according to UPS "methods", supposed to take 9 hours, and you got it done in 8 1/2 hours..you'd get paid as if you worked 9 hours.

Along with incentive pay, came mandatory OT for full time workers. 10 hour days became a way of life for package car drivers..with 12, 13 and even 14 hour days not unknown during the busy part of the year.

For part timers, there was the reverse..you got as few hours as possible..some UPS workers actually have 3 1/2 hour work shifts.

The company also became very rigid about dress codes...uniforms, hair length, beards, etc. Workers were even forbidden to wear American flag pins or Teamster buttons.

And, UPS began employing private detectives to spy on their employees..and even working with the FBI and local police, allowing law enforcement personnel to work undercover at the company, and keep "suspicious" workers under surveillance without benefit of a warrant.

And, the company began aggressively promoting what can only be described as a "cult of productivity" among UPS workers, you might even call it a secular "religion" built around UPS "methods".

UPS had long encouraged an almost dependent loyalty from it's workers, even back in the Jim Casey days.. United Parcel wasn't just a company, it was supposed to be a "family".

But, from the 1960's until today, the post 1962 totalitarian UPS barraged it's workers with torrents of propoganda, to attempt to brainwash them into really BELIEVING in UPS "methods" in a sick, codependent, David Koresh-type of way.

Reportedly, some UPS full timers have actually have internalized this propoganda, and a few poor souls even view themselves as personal failures if they don't live up to the "methods"...

Of course, this whole ideology was meant to break down worker solidarity..to make UPS Teamsters think it was OK for the company to bully the "least best" workers..and to make people accept, and even believe in, the two tier separation between high paid full timers and low paid part timers.

UPS supervisors are also carefully trained in what can only be described as psychological warfare..

Here's how it works...the company trains it's supervisors to keep track of how the workers interact with each other. When the company wants to put the heat on a "least best" worker, or a union activist, or an injured worker [they started having a LOT of those, due to the speedup] or somebody who takes "too many" sick days, the supervisors divide that worker from his/her coworkers.

Once isolated, they then move in for the kill.

Now, the obvious question is..where the hell was the Teamsters when all of this happened?

The union was right there...AND LET IT HAPPEN, without ever trying to organize any kind of resistance.

The union even used "methods" as a legal fig leaf for allowing workers to be fired for failing to meet UPS production quotas. Technically, under almost all Teamster agreements at the time, nobody could be fired for not meeting a production quota. But, according to the lawyers, being fired for not carrying out UPS "methods" is, supposedly, not the same thing as being fired for working "too slow".

That allowed the IBT to sanction all of UPS's production quota firings.

Incidentally, by the 1980's, Teamster employers in the union's largest industry, grocery warehouse, had learned from UPS, they imposed a rigid system of production quotas, enforced

by company production "methods". And, they used the same legal dodge of, technically, firing workers for violating "methods" rather than failing to meet production quotas.

The union let these companies get away with that..just like they did UPS. Today, thanks to that concession, the 400,000 Teamster grocery warehouse workers have some of the most miserable working conditions in the IBT..some warehouses actually push their people harder than big brown does.

Many UPS workers began to "vote with their feet" against big brown's abuses.

Mainly, it was the part timers..because all that UPS pro company brainwashing may have worked on some of the drivers...(who make damn good money in return for their 70 hour workweeks), but, the part timers make chump change...so they have a tendency to just up and quit when they get tired of big brown's bullshit. UPS was also quick to fire "least best" part timers.

Of course, big brown had the last laugh..since the high turnover of part timers keeps average wages really low..for the simple reason that most people quit or get fired very early in the wage progression.

The union didn't care..hell, every new hire pays an initiation fee...some of them even stick around long enough to pay a couple of months dues.. But, most UPS workers quit or got fired quickly enough that the union never has to bother representing them..and, above all..UPS pays into the pension fund for them, but they never get to collect..and, the company pays for health benefits that they also never get to collect.

The Teamster bosses actually had a direct cash money stake in high employee turnover at "big brown", and continue to benefit from that turnover to this day.

The 1982 UPS-IBT national agreement accelerated the high turnover for UPS part timers.

Up til that time, UPS paid all it's workers the same pay rate, \$ 23 an hour. But, in 1982, UPS imposed a drastically lower wage for it's part time loaders..the paltry sum of \$ 8.50 an hour.

Now, 20 hours a week @ \$ 23/hr = \$ 460/wk.

On the other hand, 20 hours a week @ \$ 8.50 an hour = \$ 170/wk.

That's a massive pay cut..the kind of income takeaway that leads to a major decline in the lifestyle of workers and their families.

But the IBT just let it happen.

Of course, this kind of employee abuse, along with union boss neglect, tends to breed workplace militants.. Some UPS workers were driven to become union reformers, and many ended up in the Trotskyite socialist-led Teamster reform caucus, Teamsters for a Democratic Union.

By the late 1980's, TDU was able to join forces with the somewhat shady president of the largest UPS local union in America, New York local 804's Ron Carey. Carey, who'd always CLAIMED to want to fight big brown's abuses, and, in reality, who's local riders to the national agreement were always better than most other UPS locals, was TDU's faceman in the 1991 IBT general officer elections.

Carey has since become something of a "secular saint" to many union activists..in particular to many union reform supporters. But, as usual, the truth is a lot more complex than the hero-worshipping mythology.

The socialist led caucus had long desperately tried to hid it's left wing politics..so, they wanted somebody who was a nice respectable conservative to run for the top spot. Carey was perfect, as he was an ex Marine and registered Republican.

Also, Carey, while no wiseguy, was on speaking terms with the gangsters who controlled most of the Teamster locals in New York's Joint Councils 16, 18 and 46; New Jersey's Joint Council 73 and New England's Joint Council 10.

He could use that influence to get those guys to be neutral in the general election.

That was really important, especially in light of the fact that, at that time, 10% of the entire IBT membership, about 150,000 workers, were in the New York City and Long Island-based Joint Council 16.

In any event, Carey won the presidency of the union that year.

Over the years of his "odd couple" relationship with the Trotskyite controlled TDU, Ron had learned to "talk the talk" of labor militancy..while rarely having to actually "walk the walk" of class struggle, of course. After all, Carey may be a REFORM business unionist..he's still a business unionist.

Carey did bargain a pretty decent UPS IBT national agreement in 1994, that was somewhat better than the really horrible pacts his predecessors had bargained.

Most notable about that agreement was that, for the first time in American labor history, a company was required to prove that it had good cause to fire somebody.

That was the "innocent until proven guilty" clause, and, except for certain 'cardinal sins', like theft, if big brown wanted to fire somebody, the union could keep that person on the job until the company had proved to an arbitration hearing that they had good cause to fire that worker.

That was a giant step forward..and, unfortunately, no other union in America has anything like it. In most other labor contracts, the company gets to fire the worker..and then the burden of proof is on the union to prove that the firing was unjustified.

That did stop UPS's 32 year reign of terror..that is, firing for failure to meet "methods". Of course, innocent until proven guilty didn't change the culture of employee abuse that caused so many UPS part timers to quit after a very short time on the job.

Carey's team also put some ergonomics language in the agreement...requiring that no UPS worker have to lift a package that weighed more than 70 pounds by themselves..and, that nobody have to lift anything heavier than 150 lbs, even when assisted.

Unfortunately, that clause of the contract ended up being a virtually unenforced dead letter. Which meant that a lot of UPS workers were still having career ending injuries from heavy or awkward lifting.... Which, along with workers quitting, kept UPS employee turnover up.

Those were big upsides..but there was a downside too.

UPS still had a two tier wage system, paying Burger King-level wages to most of their workers. And, they still had the right to have unlimited part timers...and the firm's sort and loading operations were still almost entirely composed of part timers..along with a new wrinkle..the air express drivers, part time drivers who only delivered air express envelopes, rather than packages, and drove vans, instead of package cars.

But, unlike the 1985, 1988 and 1991 pacts, which actually were voted down by a majority of UPS workers, and were only ratified because the IBT at that time required 75% of workers to vote no before an agreement was rejected, the 1994 UPS IBT national agreement was ratified easily.

In part, this was because it was a genuinely better pact..especially the innocent until proven guilty language. But, also, TDU had organized the 85, 88 and 91 "Vote No" campaigns...because the old guard was still in power at the time.. In 1994, TDU's faceman, Carey, was in charge..and they helped get the pact ratified.

The 1994 agreement had made some real changes..but most of big brown's labor practices had remained pretty much the same..other than losing the option of firing workers at will.

The company still practiced it's systematic employee abuse, and had managed to achieve 400% annual employee turnover through voluntary quits and employee injuries. Even after they lost the right to fire people whenever they wanted, UPS supervisors still could make a person's life so miserable that they'd want to quit..or push them so hard that they end up hurting themselves, and having to leave.

By this time, UPS had already institutionalized the practice of hiring transient workers for it's part time jobs..in particular college students..with the specific intent of getting them to quit as soon as possible.

UPS will often flatly refuse to hire part time loading and unloading workers who they suspect might aspire to a career at big brown.

United Parcel Service was still expanding, as they'd been since the early 1960's..and the company was planning it's most aggressive expansion yet...

The reason for the sudden growth spurt? Simple. Big brown was still the dominant package shipping company..but, they faced some stiffening competition.. mainly from a firm called Federal Express.

FedEx (as the company is commonly known) was founded in the late 1950's by a former US Marine Corps fighter pilot named Fred Smith. Fred based his company around an air freight operation, centered at the airport in his hometown of Memphis..but, they ship documents and small packages to just about anyplace in the United States...just like UPS does. The only difference is, FedEx is more document oriented than UPS, which is still at it's heart a package operation.

Just like big brown, FedEx also runs it's service centers in militaristic fashion..the company is very rigid about uniforms, facial hair and hair length, and FedEx is harsh on the "least best employee"..even if that "least best" worker meets company production standards. And, unlike UPS, which lost the right to fire at will in 1994..FedEx still could can people any time they wanted to.

But, unlike UPS, FedEx doesn't apply it's militaristic rigidity to customer service. Big brown can be very inflexible when it comes to pickups and deliveries..and tends to follow the customer service motto of "the customer is always wrong".

Oh, there's just one other difference between UPS and FedEx...Fred Smith doesn't have to deal with a union.

The United Auto Workers had launched a failed organizing drive at FedEx's Eastern Pennsylvania operations..but it fell apart, the UAW pulled out, and, as usually happens with failed unionization drives, a lot of pro union FedEx workers got fired.

The Teamsters had made noises about unionizing FedEx..but, nothing more came of it than some leafleting, and a website that the union didn't even pay for.. Pro Teamster FedEx worker Fred Osiowy paid for the site out of his own pocket.

Both the UAW and IBT used the same excuse for abandoning FedEx workers..the Railway Labor Act. The US Department of Labor considers Federal Express to be a cargo airline..and, at the time of that DOL ruling, almost all of FedEx's freight was carried at some point by an aircraft.

The RLA requires that a union organize on a company-wide basis. The UAW was only interested in organizing FedEx in Philly...the IBT also only wanted to organize FedEx facilities piecemeal. You can do that under Taft Hartley..but not under RLA.

But, instead of thinking big, and launching a national campaign..the Auto Workers and Teamsters both bowed out... That was an odd excuse in the IBT's case..since they actually have an Airline Division, and represent workers at a lot of RLA regulated airlines, United, NWA..and, a cargo airline that's not that much different that FedEx in terms of structure, Airborne Express.

Airborne Express..a double breasted unionized firm that was the 3rd largest package company in the country, also happened to be another major UPS competitor.

Airborne, like big brown, was also a Teamster signatory contractor..at least in part.

The company didn't have it's own private special agreement like UPS did..

Airborne is, technically, covered under the NMFA..sort of

That is, they have one of those substandard "white paper agreements".

That agreement gives them one big advantage over UPS..Airborne gets to operate largely non union. Only 9,000 of the 30,000 workers that serve Airborne's customers are in the Teamsters..about 90% of their market area in the US is covered by non union subcontractors...

The only Airborne workers who are union are those drivers and loaders who work in big cities, and the pilots and mechanics at the carrier's Ohio-based aviation operation.

Airborne also gets to use lots and lots of part timers..but, unlike UPS, Airborne's Teamster workforce is majority full timer, and they don't get to abuse their workers as much as big brown does. Also, casual workers at Airborne eventually get to be full timers.

UPS full timers make more money than their Airborne counterparts..but, Airborne's part timers and casuals make considerably more than their fellow part time Teamsters at UPS...and, Airborne's part timers are more likely to eventually get to be full time workers.

Airborne is also a somewhat less abusive place to work..they don't have all that mind control crap that UPS workers have crammed down their throats, nor does Airborne have Federal Express' Parris Island-style Marine Corps discipline.

But, like all airfreight shipping companies, there's always that pressure to rush rush rush.

From a business angle, Airborne had a slight edge on UPS..big brown covers more areas..but, Airborne is a lot more flexible to ship with than big brown.

Another double breasted Teamster employer, Roadway Express, was also trying to horn in on UPS's business. Roadway set up a non union package company, Roadway Package Service (known as RPS..sounds kinda like "UPS", doesn't it? That wasn't an accident...).

RPS's package cars, bedecked in a white with orange and blue trim color scheme that was damn near identical to FedEx's, were larger than UPS's brown package cars, or FedEx's white, orange and blue vans, or Airborne's silver and red vehicles, enabling them to cover longer routes, and carry more cargo, with less driver labor.

And, they had another competitive advantage..their drivers were owner operators..RPS didn't even have to pay for it's own trucks..their workers did.

This made labor discipline and motivation a hell of a lot simpler for RPS.

Roadway didn't need any elaborate psychological warfare mind control schemes like UPS had, or military discipline like FedEx...they made their people work hard by the simple expedient of paying them by the package, rather than the hour.

The more packages you moved, the more you got paid..it was just that simple. And, with piece-rates as low as \$ 2 bucks a package..that made RPS's drivers push themselves to the limit and beyond.

The only way UPS could beat FedEx, Airborne and RPS was to expand...if they provided better service, and served more destinations, the shippers would have to use big brown, rather than it's competitors.

Problem was, they needed money to expand..a hell of a lot of money..billions of dollars.

But UPS, as a private partnership, couldn't just go to Wall Street and get money by selling more stock, the way a public corporation could. And, historically, UPS's management hated debt, (because that would make the firm dependent on the banks they were indebted to) so they couldn't really go to the banks...

The only realistic source of capital was..those payments that they made to the Teamster welfare and pension funds that never got paid out in benefits, due to UPS's high labor turnover.

Big brown wanted to benefit from that money. Rather than giving it to the IBT and, in effect, subsidizing their competitors like Roadway and Airborne Express.

That was UPS's # 1 goal entering into the 1997 talks with the union.

As we've seen, by 1997, UPS had grown a hell of a lot since they got that big labor concession way back in 1962... The IBT, on the other hand, was heading into a tailspin.

In fact, the union was rapidly shrinking.

The union was no longer dominant in the freight industry. At one time, about 90% of the freight industry drivers and dockworkers were union. No more, it was now down to 10%..and falling.

For years, the union had been allowing substandard wages and conditions for certain trucking carriers, under so called "white paper agreements".

By 1973, the IBT actually legalized "double breasting"..that is, union carriers could rip up their successorship clauses, and openly set up non union subsidiaries.

This was the "special commodities rider" to the 1973 National Master Freight Agreement..and the excuse was that the union common carriers wanted to, of all things, haul fresh fruit and vegetables. But, for some bullshit reason or other, they claimed that they couldn't haul fruit with union drivers.

The union fell for it, and, with astonishing speed, Consolidated Freightways, Yellow and Roadway set up non union subsidiaries. They were soon to be followed by almost all of the IBT's signatory carriers.

And, do I even need to tell you, they were hauling more than fruit?

Within 5 years, the feds deregulated road freight. Which meant that anybody could get into the interstate common carrier freight business..and anybody did. And most of those anybodies were non union.

The Teamsters made almost no effort to fight deregulation.. No mass demonstrations, no strikes, no truck motorcades to Washington..nothing.

Instead, the Teamster bosses relied on trying to bribe a Senator, one Howard Cannon (R - Nevada) . Astoundingly enough, despite a long history of gangster unionism and labor racketeering in the IBT, the Teamster bosses even fucked that up... And deregulation came in like a whirlwind.

Of course, deregulation wouldn't have hurt so bad if it wasn't for that "special commodities rider" the union signed in 1973. That's what had allowed the non union sector to rise so quickly into an almost totally unionized industry 5 years before the 1978 deregulation law.

And, of course, the union could have gone out and done what it did back in 1938..that is, launch a national organizing campaign in the freight industry.

But, that would have involved the mobilization of thousands of workers..something that the Teamster bosses were terrified of doing..because mobilized workers might just throw out the misleaders who were steering the union to oblivion.

And, no way were the Teamster bosses going to risk losing the Lincoln Town Cars and Cadillac Coupe De Villes, the 6 figure multiple salaries, double and triple pensions, no show jobs for unemployable relatives and mistresses, and all the other perks of being an IBT union boss in the late 20th century.

They'd even be willing to sacrifice the IBT's future, just to preserve their short term enrichment.

So, instead of organizing a fightback, the labor bosses meekly allowed the combined effects of deregulation and the "special commodities rider" to basically all but kill the Teamsters as a freight union.

The IBT was also shrinking in other businesses.

Like construction.. That industry saw a massive wave of union-busting that reduced union market share from over 70% at the beginning of the 1970's to under 13% in the 1990's.

The Teamsters managed to hang on to some of the ready mix concrete firms that were the core of the IBT Building Materials and Construction Division...they even kept some of the lumberyards under contract.

But, many general contractors, excavation and foundation outfits and heavy construction firms had gone non union too. Those companies, of course, also ripped up their IBT agreements, and made their drivers quit the Teamsters and go non union.

At the seaports, the Teamsters basically imploded, rapidly falling from representing nearly 100% of the drivers in the industry in 1970 to almost 0% in the 1990s. The sea freight hauling

companies made their drivers become owner operators..and the union didn't try to stop them. Nor did they try to keep the owner operators in the union. So, that industry went open shop without a fight.

By the late 1990's, the IBT was in tatters, with only scattered remnants remaining in it's once core industries of freight, port trucking and construction. Membership was down, reduced from a peak of 2.3 million in 1975 to barely 1.5 million in 1997.

And a lot of those members were in "nontraditional" industries like civil service, health care and general manufacturing, far removed from the historic Teamster driver and warehouse worker base. Just about all that was left of the old IBT was..UPS, carhauling and warehouse.

Beyond the membership loss..there was the aftermath of the criminal investigations. For years, many IBT bosses had ties to < Costa nostra > influenced businessmen in the trucking and construction industries.

The mobsters used this union influence to get white paper agreements, and to use Teamster pension funds to finance mafia-controlled investments..most prominently, the construction of the casinos of Las Vegas was financed by the Teamsters..and, since those casinos were, at the time, < cosa nostra > owned, the IBT didn't make a dime...cause the gangsters defaulted on all their loans...and the IBT didn't dare foreclose!!!

Problem was, Corporate America tired of paying the "mob tax" in construction and trucking..so the Feds came in and cleaned out a lot of the racketeer influence.

Among other governmental sanctions, the Teamsters were forced to have one member one vote elections for general officers..and, the union's Taft Hartley funds were taken away from the mob, and given over to respectable Wall Street money managers.

Of course, those funds had been greatly weakened by the decline of the union during the 1980's and 1990's, simply because 800,000 less people were having contributions paid on their behalf into these funds. And, of course, mafia looting of many of those funds, particularly the huge Central States, Southeastern and Southwestern Pension Fund, had greatly weakened them.

Of course, the remaining members were a hell of a lot better off having their funds controlled by legit bankers...rather than by sticky fingered gangsters.

That newly established Wall Street control of Teamster funds would play a major factor in the 1997 UPS strike....even though most press accounts at the time, especially the "pro labor" ones, ignored that angle of the story..and today, many labor historians have already written a basically incorrect account of the 97 strike as some kind of historic "battle for the part timers".

That was the climate that the 1997 IBT UPS national agreement was bargained in.

The company's basic demand was control over the pension and welfare funds. If those plans came under company control, they'd be over-funded..cause most UPS workers quit way before they were ever eligible for health insurance, let alone vested for a pension.

The company could then use that money to finance it's expansion, and fight it's competitors, FedEx, Airborne Express and Roadway Package Service.

The union had no intention of letting big brown have that money. UPS kept the Teamsters Taft Hartley funds afloat, by subsidizing coverage for all those retirees who's employers were now non union. There was no way they'd let that money go without a fight.

Also, the Wall Street interests, who now managed the IBT's funds, were also reluctant to let that money go. ESPECIALLY to a company like UPS.. The financiers hate independent companies like UPS, who's owners control all the stock, and can ignore the dictates of the capital markets.

As if that wasn't enough, UPS's abysmal customer service practices had made it very unpopular with it's shippers..including the very same money center banks who now controlled the Teamster funds. Wall Street liked UPS's hard nosed labor relations..but, they didn't like the fact that big brown was just as rigid with it's customers..they wanted to make United Parcel Service be more like FedEx, Airborne or RPS..harsh and severe to the employees, but gentle and flexible towards the customers.

A battle line was drawn over control of the UPS welfare and pension fund contributions.

The union bosses were even willing to call a strike to keep control of that money. That was a pretty radical step for union bosses in the late 1990's..most labor leaders are scared of death of class conflict with the employers..it goes against their belief in "labor management partnership". These days, when unions do strike, it's usually a case like this one..a battle for control of Taft Hartley benefit funds.

Of course, the Teamster bureaucracy, especially the IBT's reformer General President, Ron Carey, couldn't very well tell the workers that this strike would be all about who'd control that lake of capital created by UPS's high labor turnover. That wouldn't sell very well, ESPECIALLY with the part timers.

Instead, Ron Carey's IBT framed the 1997 negotiations in terms of the part timer issue.

This whole media campaign was concocted, based on the argument that the IBT was the standard bearer in the fight for creating full time employment for part timers. Specifically, the Teamsters came up with a plan that would, supposedly, create full time jobs for 20,000 high seniority UPS part timers (for a UPS part timer, a year or more counts as "high seniority"..cause most part time loaders either quit in disgust or are out on comp within just a few months of hire).

Under Carey's plan, UPS would take away hours from part timers who'd quit or become disabled, and give those hours to that select group of high seniority part timers, thus creating those 20,000 full time jobs.

Of course, the great bulk of UPS part timers, over 75% of the 80,000 part timers on the job at the time, wouldn't gain a damn thing from the job combination.

Beyond the proposal itself, it's significant what Carey DID NOT propose.

Most Teamster agreements have something called an "8 hour minimum"..requiring that all workers who are called in to work get a minimum of 8 hours pay, irregardless of hours worked. Also, under many Teamster agreements, all permanent employees get a minimum of 5 days of work a week.

Considering United Parcel's affluence as a company...it's odd in the extreme that the reformer Carey did not even think of demanding a 40 hour guarantee for ALL UPS workers, thus in one fell swoop abolishing the 1962 unlimited part timer deal.

Especially since UPS was expanding...in the 5 years after the 1997 agreement was ultimately signed, big brown created 53,000 new part time jobs, and 47,000 new full time jobs.

As I suggested earlier in this article, the union could have demanded that the company create no new part time jobs..and reduce the number of new full time jobs by 13,500. The remaining 1.6

million new hours could have given every single one of UPS's 80,000 part timers an 8 hour day, and 40 hour week.

Of course, if they'd done anything like that, UPS only would have added 32,500 new members to the union, and that just wouldn't do.

At the time, the Teamsters union was losing about 2,000 existing members a week..those 110,000 new UPS Teamsters would keep the union's membership at 1.4 million. That was the only way to keep IBT membership numbers up, since, like most other AFL-CIO unions these days, the Teamsters organizing efforts were, for the most part, complete failures.

And, considering UPS's corporate culture of institutionalized employee abuse, and the resultant 400% annual employee turnover, to keep it's new headcount of 230,000 workers, UPS would have to hire 920,000 new Teamsters a year.

Every one of whom would have to pay an initiation fee to the IBT.

Bottom line, the interests of the great majority of UPS part timers were sacrificed to prop up the collapsing finances of the International Brotherhood of Teamsters...and to keep the welfare and pension funds in the hands of Wall Street bankers and Teamster union bosses, rather than having them under UPS corporate control.

In any event, in the summer of 1997, the strike began.

And, astonishingly enough, just about 100% of the part timers joined in the strike...only a handful of UPS workers scabbed..

Most of them were full timers, folks who had been brainwashed by big brown's cult of "methods" and productivity, Manchurian candidates in brown uniforms, betraying their brothers and sisters, and their own interests, for the benefit of the company.

The part timers showed an amazing degree of pro union sentiment....a great testament to what kind of union men and union women those folks are..

Especially in light of the fact that, for most of the 35 years prior to the 97 strike, the IBT had treated them like red headed stepchildren...ignoring their interests and using them as a money tree to prop up the union's finances.

But, they were big enough to overlook that, and they willingly and enthusiastically walked the line for a union that had done almost nothing for them over the previous 3 1/2 decades. Some of them even fought scab trucks, and risked arrest for the union.

Also, many of these workers were very loyal to Ron Carey and TDU..after all, in 1994, Carey had delivered on the innocent until proven guilty clause, which made it extremely difficult for UPS workers to get fired. And, he'd also gotten that 70 lbs ergonomic language for them too.

Despite the years of neglect, most UPS part timers were willing to bet on Carey...and hope that those 20,000 full time jobs would ultimately be first step towards the other 60,000 part timers getting taken care of.

Ron Carey's IBT had another ace in the hole in 1997...the Wall Street angle. Remember, as I mentioned above, UPS's status as an independent private partnership made it very unpopular with Wall Street, because the moneymen hate companies that they can't control.

That bad blood with the money center banks only worsened when the company made it's move to take it's welfare and pension contributions away from the now Wall Street controlled Teamster funds. That would cost the financiers money, and lots of it..so it just couldn't happen.

Plus, a capital-starved UPS might have to give up it's independence, issue an Initial Public Offering (IPO), and submit to control by the capital markets.

As many GANGBOX subscribers may recall, the late 1990's were a time of an orgy of IPO's...the Wall Street money men made a fortune from all those new stock issues. Most of these IPO's were for internet-based companies, many of which had dubious business models, no realistic possibility of ever turning a profit, and ended up being absolutely worthless as investment vehicles (as the public is only fully finding out now, several years later).

But, UPS had something that most of those "dot.com" IPOs didn't...an actual legitimate investment opportunity...a real business, that provided a real service, and made real profits.

A UPS IPO would be huge...and would make a lot of money for Wall Street.

The only problem was..how to make UPS management give up it's independence?

The UPS Teamster strike provided a perfect opportunity for Wall Street.

At the same time, the government intervened on behalf of Carey and the Wall Street interests.

For the first time in US labor history, the US Department of Labor actually got a court order banning UPS from hiring scabs. Big brown only had managers, and a few deluded full timers, crossing the picketline to drive the trucks, and, with that federal order, they had no way to hire additional scabs from off the street to load the trucks and sort the packages. Consequently, United Parcel Service was forced to shut down it's operations almost completely.

Within 15 days, UPS settled.

But, this was not 1994...there were more losses than gains.

The worst defeat..big brown was able to lock the union into a 5 year collective bargaining agreement..that was, at the time, the longest contract ever signed by the IBT.

And, on the part time issue..they continued that 1962 policy of allowing big brown to use an unlimited number of part timers, with no minimum guaranteed hours or workweek.

Supposedly, 10,000 high seniority part timers (down by 50% from the 20,000 proposed by the union) would pick up hours from other part timers who'd been fired or gone out on disability.

But, there were lots of loopholes in that clause of the contract..enabling the company to delay and delay and delay the granting of full time status to those part timers.

Today, 5 years later, only 2,000 part timers have gotten full time status through those "combined" jobs.

Hardly the earthshaking victory for America's 40 million part time workers that's been so incorrectly portrayed by many Carey apologists in the media and among the ranks of labor studies professors.

Especially in light of the fact that UPS ADDED FIFTY THREE THOUSAND (53,000) NEW PART TIMERS DURING THE SAME TIME THAT THEY GAVE THOSE 2,000 LOADERS FULL TIME JOBS.

Within 2 years, Carey would be gone as IBT general president... There had been a scandal where the IBT laundered union funds through Democratic Party connected groups, and some of that money ended up subsidizing Carey's campaign. Carey later got indicted for that scam..but he was acquitted in 2001.

The Feds ordered a rerun of the 1997 elections, and barred Carey from running. Carey's substitute on the ballot, one Tom Leedham, principal officer of local 206 in Portland, Oregon and head of the Warehouse Division, was defeated by a man who'd never actually worked as a Teamster in life..but possessed the ultimate Teamster last name.

The one James P. Hoffa..known to his detractors as "Junior".

Junior couldn't run for general president in 1991, because of the crudely simple fact that HE'S NOT A TEAMSTER AND NEVER WAS..

By 1997, the labor lawyer with that really special last name had snagged himself a dubious secretarial job at a Teamster local in Michigan..and that made him technically eligible to run for office.

Leedham carried the UPS workers..who were still very loyal to Carey and TDU for what they achieved in 1994. But, Tom did not carry his own division, warehouse..because conditions had been steadily deteriorating there for years..and that decline had not stopped at all during the Carey years.

Also, in the shrinking but still important freight division, Hoffa won..in large part because Carey's 1994 NMFA allowed the carriers to move more and more trailers by railroad..which cost thousands of jobs.

Hoffa also carried airline, bakery, dairy, soft drink and brewery, trade show, building materials and construction and tankhaul, in large part due to the continuing decline in Teamster conditions in those industries during the Carey years.

As for the "non traditional" industries..manufacturing, civil service, health care and the other various and sundry industries that the IBT has branched into.....Hoffa won by default, because so many of those workers didn't even vote..since, in practice, their locals are far out of the Teamster mainstream.

Of course, unionwide, about 70% of Teamsters voted for 'none of the above' in that election.. Even in 1991, most Teamsters had not voted in that election, and even more abstained in 1997.

Hardly a ringing endorsement for ANY of the candidates.

The IBT that Junior Hoffa took over in 1999 was shrinking..down to 1.4 million members, and both the general fund and the Taft Hartley welfare and pension funds were all slowly going broke.

Hoffa came in with the intent of, for all intents and purposes, abandoning the shrinking traditional Teamster jurisdictions, and reinventing the IBT as a catch all union of civil servants and hospital workers.

Junior would "resolve" all outstanding disputes with traditional Teamster employers in the trucking, warehousing, brewery and airline industries..that is, he'd sign any piece of garbage contract that they put in front of him, and then make a full court press to ram that contract down the affected workers throats.

Hoffa later found himself embarrassed into continuing Carey's feeble organizing efforts in the freight business, at Overnite, Jevic, Saia and Central Freight.

Of course, Junior found ways to sabotage all of those organizing drives, most dramatically by launching a kamikaze, no win strike effort at Overnite, a company that had fired 8% of its entire workforce in the mid 1990's just to keep the IBT out, and was using all of the resources of its parent company, Union Pacific Railroad, to stay non union.

Hoffa made sure that the strikers fought with one hand tied behind their backs from day one, which insured their defeat.

Hoffa let those drives die so as to "resolve" the IBT's outstanding disputes with those companies..by, basically, abandoning the pro union workers at those firms.

As for UPS, they LOVED Junior ["Traffic World" magazine had an article in May 2002, that their editors actually entitled "In Love With Hoffa", describing how big brown management just adores Junior, and his slavishly pro corporate mentality].

Big brown knew that there'd be not even a token effort by Jim to fight for UPS workers rights....they knew they had a free hand for unlimited employee abuse. They couldn't fire people at will anymore..they lost that privilege in 1994..but they could still fuck with people to the point where they'd quit on their own.

UPS took things to the next level in the barns.

In one unbelievably vicious move, the company, in what was billed as an "anti theft" measure, banned UPS workers from getting any personal phone calls at work..even emergency calls.

Under this new "method", the many women loaders and sorters with kids can't even get a call from the babysitter telling them their child is sick.

UPS actually ripped out the payphones at their service centers, and banned workers from using cellphones or pagers in the service centers or on the trucks.

The IBT, of course, did absolutely NOTHING about that attack on their members.

And, of course, UPS part times continued earning poverty level wages, averaging only \$ 114 bucks a week..with most of them quitting their jobs in disgust, or being injured and forced out, after an average of less than 3 months on the job.

Meanwhile, full timers had the "golden handcuffs" type situation of \$ 70,000+ annual earnings..at the price of having an endless 60 to 70 hour workweek..where OT is mandatory, and those who try to only work 8 hours a day...or happen to be the "least best driver" in their group....are subject to endless harassment.

UPS had made one major change after 1997..they became a public corporation.

The company's supervisors, managers and executives, who'd owned the firm as a private partnership since 1907, got paid lovely in return for giving up a portion of the ownership to the investing public. And, a lot of UPS's more affluent workers, those 70 hour a week \$ 70k a year package car drivers, pumped their savings into UPS common stock.

United Parcel was no longer independent from the capital markets..but, they had, in return, gotten access to the means of financing the largest expansion in the company's history.

And expansion which, incidentally, included major growth in the company's NON UNION trucking subsidiary, UPS Logistics. That division was fast becoming one of the leading carhauling firms in America, displacing a couple of thousand Teamsters who drive for union carriers like Allied, Ryder and Leaseway.

Coming into the 2002 UPS-IBT negotiations, big brown needed "labor stability". The reason was simple, that onrushing orange and blue blur in their rearview mirror..FedEx.

UPS had managed to beat it's other competitors.. Airborne, who's union contract, while sub NMFA, isn't as bad as big browns, was sputtering, and actively seeking a buyout by DHL, a European airfreight outfit owned by Deutsche Post, the German Postal Service. Even with a new, more giveback filled, white paper agreement, Airborne Express was being left in the dust by big brown.

Roadway had stopped even trying to compete with United Parcel Service..it completely abandoned it's package delivery business, RPS, in the late 1990's.

But, RPS didn't go out of business..it was absorbed by FedEx, and renamed "FedEx Ground"..with it's owner operator-driven delivery trucks getting a new white with green and blue trim pattern, so they won't be confused with the traditional FedEx white orange and blue vans.

FedEx was fast reinventing itself as the nation's leading freight company...with a goal of being far bigger and stronger than big brown.

Fred Smith brought out a number of non union less than truckload (LTL)freight companies, including Yellow Freight's double breasted Jevic and Saia subsidiaries, and Roadway's non union trucking subsidiary, Viking. They became "FedEx Freight", (they have their own color scheme too, white with blue and red trim) and are now the nation's largest LTL freight company.

FedEx also has 4 logistics subsidiaries, which transport special freight, like trade show exhibits.

FedEx still hasn't consolidated these businesses fully, and still has an awkward system where they have 3 different terminals in every market, one FedEx, one FedEx Ground and one FedEx Freight, as well as separate terminals for the logistics operations. But, they have the competitive advantage over UPS in having an almost 100% non union firm (only the pilots are organized).

And, despite being non union, FedEx actually pays it's part timers more than UPS does. FedEx loaders start at between \$ 11 and \$ 13 an hour..as opposed to UPS's \$ 8.50/hr. The average FedEx part timer makes \$ 13.50 an hour, as opposed to the average UPS part time loader's \$ 10.72. And, FedEx intends to keep pushing it's part timer wages up..so as to compete with UPS for the best unskilled labor available.

UPS is going to have a hard time fighting FedEx..and they need the active assistance of the bosses of the IBT to win that fight. Big brown's # 1 demand..."labor stability"....that is, the longest possible contract, with as few wage increases as possible.

And Junior was prepared to give big brown whatever they wanted.

Of course, he'd have to make a show of "militancy"...and Hoffa did just that, spending about 2 years on a propaganda campaign aimed at UPS Teamsters, telling them how he was going to fight for a good contract.

To complete the public relations charade, Junior even went out and hired a labor consultant with a longstanding radical image, one Greg Tarpanian, to help him bargain this pact.

Tarpanian is the head of the Labor Research Association, a once left wing labor think tank founded by the Communist Party, USA in 1924. Tarpanian left the Communist Party in 1991.

Tarpanian lost his wife, CPUSA Central Committee member Judith Le Blanc, and their two kids, when he left the party, (Le Blanc had to choose between him or the CP..she chose the CP). But he managed to keep LRA under his control, and wrested the organization away from the party's orbit.

Tarpanian was seeking to reinvent the leftist think tank as a "respectable" mainstream union-side labor consulting firm. He's spent most of the last 11 years trying to give a 'militant' image to < cosa nostra > dominated Teamster locals here in New York City, where LRA is headquartered.

Junior knew of the work that Tarpanian was doing in New York City..and decided to bring him in, to make it look like he was going to fight UPS.

But the reality was very different.

In the end, Junior Hoffa and Teamsters Small Package Division head Ken Hall gave UPS a 6 year agreement..the longest contract that the IBT has ever granted them.

There were lots of givebacks in the regional supplemental agreements, including New England UPS workers losing the Columbus Day holiday.

The company also got a new subclass of workers. Part timers will now get a .50 cent raise, but only after 90 days on the job. Interestingly enough, the average UPS part time Teamster QUILTS, GETS FIRED OR GETS HURT AFTER ABOUT 3 MONTHS ON THE JOB... Very convenient.

Part timers who manage to get promoted to driver will have to wait 2 1/2 years to get full driver pay. Of course, that won't happen til 2004..because there's a 2 year freeze on part timers becoming full time.

The full timers will get a raise of \$ 5 dollars over the life of the agreement [75 cents, 75 cents, 80 cents, 80 cents, 90 cents and \$ 1 dollar] with current part timers getting \$ 6 dollars [85 cents, 90 cents, 95 cents, \$ 1, \$ 1.10 and \$ 1.20]

Of course, with UPS's 400% turnover rate..almost no UPS part time loader will actually see that \$ 6 bucks. Instead, the part timer starting rate is frozen at \$ 8.50/hr for the 6 year life of the pact..

The part timers will get \$ 9 bucks.....if they don't quit or get hurt in their first 3 months.

If big brown is true to form, of course, damn near all of the part timers hired during the life of the agreement will be forced to quit or have their body broken by the blistering pace and have to go out on comp. And most of them will be gone from the UPS payroll before they've even racked up 3 months seniority.

In a related issue, the part timers got an increase in their pension benefits, and, for, the first time, will get retiree health coverage.

But, that's merely a paper increase, that the vast majority of UPS part timers will never actually benefit from.

As I've made clear above, the average UPS part timer's career at big brown lasts about 3 months.

Now, you have to work at a firm for 10 years to have vested pension benefits..and, of course, 90 days is about 117 months shy of vesting.

At the end of the agreement, UPS full timers will make \$ 28.50 an hour..and, it's very likely that the average part timer will still be only making \$ 11 bucks an hour for a 20 hour week in the year 2008. That will create a recordbreaking \$ 17.50 an hour wage gap between UPS full timers and part timers..

Breaking down the numbers..in 2008, the average UPS full timer will, assuming a typical 60 hour UPS workweek, earn roughly \$ 1,995 a week, breaking the 100k barrier at \$ 103,000 a year.

Meanwhile, the UPS part timers will, if present trends continue, still be chugging along, at \$ 220 a week, and a miserable \$ 11,440/yr.

That's a big problem....it's hard to speak of the International BROTHERHOOD of Teamsters if some "Brothers (and Sisters)" are clocking \$ 100k+ a year..while other "Brothers (and Sisters)" subsist on only \$ 11.5k.

That \$ 91,000 dollar gap is pretty damned wide..Filet Mignon on one extreme...Mc Donalds Dollar Menu on the other.

There's nothing wrong with drivers making \$ 100k/yr, of course....it's a hard job, and they earn every penny of it, and then some. But, the sorters and loaders and air express drivers work just as hard....they deserve the same money for their efforts, not insulting chump change wages, pay so abysmal that they're actually eligible for food stamps and Section 8 housing assistance.

Bottom line, the idea of restoring equal pay for equal work at UPS, which was destroyed in the 1982 agreement, just isn't on the union's radar scope.

But things aren't all gravy for UPS's full time drivers. This contract has pitfalls for them too.

Among the continued abuses for the full time workers, UPS will be allowed to continue forcing full timers to take mandatory OT, and the full timers will also receive no pension increase over the life of the agreement.

And, above all, there are the issues that this agreement does NOT address at all. Most importantly, the Teamsters will do nothing to stop UPS employee abuses, or it's many flagrant OSHA violations [they get more OSHA complaints than any other firm in America].

I can best summarize the 2002-2008 UPS IBT national agreement with the words of an anonymous UPS part time Teamster, posted on Teamster.Net, [<http://www.teamster.net>], the rank and file Teamster Internet bulletin board :

"THIS CONTRACT SUCKS"

The question remains, what can UPS Teamsters do about this abortion of a contract?

Voting NO on the pact would be a good start..but, then they'd just have the gruesome threesome of Junior Hoffa, IBT Small Package Division head Ken Hall and Greg Tarpanian going back into a closed room with UPS management..and brining back another bad agreement.

Then again...perhaps UPS workers can keep voting NO til Junior, Hall and Tarpanian get it right!!!

Of course, UPS Teamsters can, and should, vote against Junior Hoffa, and indeed against all the incumbent officers in all the UPS Teamster locals in the country, in the next elections. Thanks to the heroic efforts of TDU activists in the 1970's and 80's, Teamsters are fortunate enough to be members of just about the only union in America with anything resembling a truly democratic internal structure.

TDU really made the Teamsters a much better union..most importantly, thanks to their efforts, the IBT is the most democratic union in America. UPS Teamsters have a special reason to feel loyalty to Teamsters for a Democratic Union..thanks to Ron Carey's efforts in 1994, they have the innocent until proven guilty clause, which is the closest that any private sector unionists have in America to the right to a fair trial if the company wants to fire them.

But..despite all those achievements, TDU's not necessarily the answer either..

Remember, it was under their watch in 1997 when Carey signed that really bad 5 year agreement with big brown. And, even the 1994 contract, with all it's advances, stopped short of removing that fundamental inequality between UPS full timers and part timers.

Beyond that, unfortunately, besides electoral reform, and one member one vote elections, TDU really doesn't have a program for turning the Teamsters around, and rebuilding the union in it's core jurisdictions...

Basically, I believe that, if UPS Teamsters are ever going to be in a position to turn their union around, make UPS a decent place to work, and organize FedEx and the other non union companies that now control 90% of trucking, then they are going to have to turn the IBT away from business unionism.

As I explained above, business unionism is an ideological system based on the belief that workers and businesspeople have common interests, and that the union's job is to promote harmony and class collaboration between workers and bosses.

In the Teamsters, there are two different types of business unionist ideology..

There's the crass, often corrupt "old guard" style business unionism practiced by people like Junior. That system of business unionism often includes despotic, and often gangster-connected, union bosses, who use the members dues to pay themselves bloated salaries, and, occasionally, extort bribes from employers who want to screw the members.

But, there's another type of business unionism in the IBT..reformist business unionism, the ideology practiced by TDU and union officers like Ron Carey. This version of business unionism is more democratic and less corrupt than the "old guard" version..and does deliver somewhat better contracts...but, at the end of the day, they still make deals with the employers at the members expense..just, unlike the "old guard", they don't demand payoffs in exchange.

As we can see, by looking at conditions at UPS, and how they've declined over the years, Teamsters need another way, an alternative to business unionism.

I believe that alternative is something called revolutionary unionism. I've written a number of articles on GANGBOX that explain the basic ideas of revolutionary unionism, on the website, at:

<http://www.geocities.com/gangbox/csu1.html>

<http://www.geocities.com/gangbox/downbylaw.html>

<http://www.geocities.com/gangbox/contract2001.html>

and on the GANGBOX listserv, at:

<http://groups.yahoo.com/group/gangbox/message/2466>

<http://groups.yahoo.com/group/gangbox/message/2659>

<http://groups.yahoo.com/group/gangbox/message/4738>

and

<http://groups.yahoo.com/group/gangbox/message/5059>

To summarize, a revolutionary union recognizes the simple fact that, under a capitalistic system, there is a basic conflict of interests between workers and businesspeople. Basically, our labor creates their wealth. To further enrich themselves, the businesspeople try to get more work out of less employees, and to lower our incomes... That can, and at UPS does, take the form of, for example, forced OT for full time workers..and paltry hours and low pay for part time workers.

A revolutionary union recognizes that it's the job of a labor organization to fight for the workers, not to make "compromises" with management. Unions are supposed to fight for a decent income for ALL workers [not just full timers], and equal pay for equal work [not \$ 28.50 for some..and \$ 11 for others].

That's why UPSers need a revolutionary Teamsters union to fight for them..and to unite them with their brothers and sisters at FedEx and Airborne to improve wages and working conditions in the whole small package shipping industry.

Starting out in the service centers, UPS Teamsters need elected shop stewards, on each shift, for each craft [drivers, loaders, sorters etc], plus a pool of elected assistant stewards sufficiently large enough so that there is one union representative for every UPS supervisor, and with a general shop steward to coordinate the work of the stewards.

The general steward, shop stewards and assistant shop stewards at each service center would constitute the shop committee for that facility.

These shoppies need authority to stop work, immediately, if the contract is being violated, or supervisors are doing bargaining unit work, or if workers are being asked to do hazardous work, or if any other violation of the rights of an individual worker, or a group of workers are occurring.

Of course, if one work group stops working..the whole center should be shut down immediately in solidarity. In a time-sensitive business like package shipping..that WILL get the man's undivided attention.

Also, a common UPS tactic is to intimidate or harass a worker so as to force him/her to quit. The dense network of stewards would be used to counteract any attempt by the supervisors to isolate a "least best worker" from his/her coworkers.

In other words, the union and it's stewards would actively assist, by whatever means necessary, any worker who management was trying to force out. That could even include using UPS's own industrial psychology tricks against them...that is, charting the intergroup relationships between supervisors, and isolating particularly abusive supervisors from their fellow managers. This might lead to big brown having to fire those particular undesirable supervisors, since they'd no longer be effective team leaders.

Beyond that, a revolutionary Teamsters union would build on the strong foundation for workers rights that was laid by the enactment of the innocent til proven guilty clause. I would suggest creating a rule that, if UPS wanted to fire a worker, for ANY reason, (including "cardinal sins" like theft), they should be required to present evidence of good cause for termination to a union tribunal.

If the union tribunal finds that, by preponderance of the evidence, that the worker indeed did commit misconduct that merits termination, big brown would be allowed to fire that worker. That

worker would, of course, have the right to appeal that termination through union channels, and, if he/she didn't get satisfaction from the union's internal justice system, they could take their case to the courts.

But, if UPS can't make their case, the worker keeps his/her job. And, of course, either way, the worker would stay on the payroll until the union reviewed the case.

Of course, the biggest issue related to high turnover at UPS is the prevailing culture of inequality between full timers and part timers.

A revolutionary Teamsters union would have to address that..by, as soon as possible, forcing the company to pay the same wage for all UPS workers...that is, the current wage received by full time workers. The only UPS Teamsters who should get a higher wage should be the pilots of big brown's cargo planes, who should get the same wage that Airline Pilots Association members get.

Also, every UPS worker should have the "8 hour minimum" that prevails in other Teamster contracts, that is, if they report to work, they get 8 hours pay, even if there isn't 8 hours of work. Also, there should be a "5 day minimum", to make sure that everybody gets a 40 hour workweek every week.

On the other extreme, nobody should be forced to work OT. The company should be forced by the union to shorten driver routes, so the driver can complete his/her route in 8 hours. If necessary, helpers should be assigned to the drivers who service extremely busy routes, so they can get their work done in 8 hours.

Of course, that would only work if the entire package shipping industry was under one common Teamster agreement. Problem is, that's currently not the case..

Airborne Express is covered under a white paper rider to the National Master Freight Agreement, even though they are not a trucking company. And, of course, FedEx and it's subsidiaries are totally non union.

I would propose that Airborne and UPS both be covered under one common Teamster small package industry national agreement...after all, they're in the same industry, why should they have two different wage scales, and two different sets of work rules?

As for FedEx, that company needs to be organized..not just for the sake of it's workers..but to keep up union standards in the small package industry..and, as FedEx becomes more and more a less than truckload common carrier, organizing FedEx is the key to reorganizing that industry.

But, the problem is, all the efforts to unionize FedEx up to now have failed miserably. Mainly because they've followed the legalistic Railway Labor Act method of organizing..and, just like the National Labor Relations Act, RLA is full of methods to delay unionization.

I'd propose using the method which the Teamsters originally used to unionize the freight industry in the late 1930's..that is, a wave of nationwide recognition strikes.

Now, it might seem that, since Federal Express is a global corporation, that might be difficult to do.

Not necessarily...FedEx Express [the small package division that's the core of the company] is a very centralized operation. Every FedEx driver has a computer, which records every package that's picked up and delivered, and reports that data to FedEx world headquarters in Memphis.

Also, most of their airfreighted packages go through their terminal at the Memphis International Airport. They have what's known in aviation as a 'hub and spoke' system..their planes fly out of Memphis to all the other airports they serve..and then they come back to Memphis with the packages, which get routed to planes bound for their ultimate destination.

That means, if, for example, a labor dispute shut down their Memphis operations..their whole airfreight system would shut down, and possibly even the computer system that routes every one of their packages, and the trucks that deliver them.

FedEx Freight isn't as centralized..but, like most trucking lines these days, a lot of their service runs along the "NAFTA Corridor"...Interstate 35, running from Dallas, through San Antonio, and down into Laredo, where they pick up freight from the factories on the Mexican side of the border.

Viking, Saia and Jevic, the companies that FedEx brought to start their freight division, were all originally Texas-based firms..which means that a lot of their drivers, and much of their freight, originated in that I-35 corridor to Mexico..get those drivers and dockworkers to walk out..and you'd bring that company to it's knees very quickly.

Also, that could be a base for organizing Central Freight, Overnite, Con-Way and all the other non union carriers that also service that route....as well as the approximately 30,000 non union warehouse workers who transfer freight from Mexican to American trucks in Laredo.

The FedEx Ground system is even more decentralized..but, their drivers are owner operators, who have a lot of grievances against FedEx..and there have even been efforts at self organization among these drivers. The current business unionist leadership of the Teamsters is terrified of organizing owner operators [their lawyers are deathly afraid of anti trust suits]..but, a revolutionary Teamsters union would be ready to face the challenge of signing up these self employed workers.

As a first step, it would help to persuade the only unionized bargaining unit at FedEx, the pilots, to affiliate their organization with the IBT..and, it would also help to set up Teamster locals for Federal Express workers in areas where FedEx has major operations, such as Memphis, New York, Chicago, Dallas, San Antonio, Laredo, Los Angeles etc. In other areas, FedEx workers could be organized into existing locals that represent UPS and/or Airborne workers.

The local's members would be workplace activists at FedEx, who'd use these paper locals to help their organizing efforts at the company.

In any event, it would be entirely possible to organize FedEx..if the IBT was willing to take the risk of starting a mass movement of workers at all of FedEx's far flung divisions....of course, a revolutionary Teamsters union would be willing, and in fact eager, to do just that.

Once FedEx was organized...their workers should be put under that same Teamsters small package industry national agreement that I proposed above, and should bargain commonly with their counterparts at United Parcel Service and Airborne Express.

That kind of united front bargaining would require some organizational changes in the union.

Obviously, the locals representing these package workers would have to be very democratic. And I don't just mean having regular elections with minimal fraud...that's a narrow, and basically business unionist, definition of a "democratic" union.

I'm talking about locals where there would be a separation of powers. That is, there'd be legislative, executive and judicial branches, that would balance each other out, to guarantee that the local was democratic, and fought for the member's needs.

The dominant body in these locals would be a council of delegates, composed of rank and file delegates elected from the service centers by direct, secret ballot, serving a single, non reelectable, 3 year term of office, and receiving no more compensation than a full time UPS driver would get in wages and benefits.

This council would decide on union policy, draw up the budget, and oversee the work of the union staff, the officers and the union's trial committee.

There would still be an executive board, composed of a president, secretary-treasurer, organizer, and BAs. In the case of multi craft locals, at least one BA, would be elected from among the ranks of UPS, FedEx and Airborne workers, and would deal with small package worker issues exclusively.

Where possible, there would be separate BAs for each of those 3 companies, elected from among the workers at that particular carrier. Ideally, there would be separate locals for each of those 3 firms, (kind of like the current situation that prevails in New York, where UPS workers have their own local, 804, and Airborne workers have 2 locals, 295 and 858).

In any event, the officers of these locals would be required to have actually worked in the trade for 3 years (that means that guys like Junior Hoffa, who's never been a Teamster, would be ineligible to run for any office). They'd earn the same wage and benefits that the workers they represent get, and they'd have minimal to nonexistent expense accounts...In the event they GENUINELY NEEDED A VEHICLE FOR UNION BUSINESS, they'd get a late model, UAW made domestic compact car, like a Ford Escort...no more Lincoln Town Cars!!!

The officers would be subject to review by the council of delegates, and could be impeached from office if they engaged in misconduct. The council would also be able to override the decisions of the officers, and the executive board, if a simple majority of the delegates thought it was in the best interests of the members. The officers would be elected to 3 year, non reelectable terms, and would have to go back to work at the trade for a minimum of 3 years before they'd be eligible to run for office again.

The third branch would be a trial committee. That would be composed of rank and file members, elected on the same terms as the delegates and officers.

This trial committee would be the union tribunal that would review all employer efforts to fire a member..management would have to present evidence that they had good cause for termination.

The worker would stay on the job unless the trial committee found that the employer had proved, by preponderance of the evidence, that the worker had committed conduct that merited termination.

If the firing was upheld, the worker would be able to appeal to the local union executive board. If the e board upheld the verdict..the member could then appeal to the council of delegates. If they upheld the tribunal's decision..the next avenue of appeal would be the IBT Small Package Division, and then the International Executive Board, and then the International Convention.

At every step, the trial committee would make sure that the member had adequate representation, by a BA, and their shop steward, and, if necessary, an outside attorney.

The trial committee would also handle cases where members were brought up on charges, either by the union, or by another member.

Now, since UPS, FedEx and Airborne are all international companies, there needs to be a body that would deal with those firms on a continent-wide basis. That would be based on the framework of the current International Brotherhood of Teamsters Small Package Division.

But, this revolutionary version of the Small Package Division would be very different than the present business unionist version.

Unlike the present body, which is run by an appointed director who serves at the pleasure of Junior, this reorganized Small Package Division would be led by an international council of delegates, with one delegate from each local representing workers at UPS, FedEx, Airborne, and any other small package, airfreight, logistics or other carrier that might end up under my proposed IBT small package industry national agreement. Locals with more than 5,000 small package industry workers would get 2 delegates, more than 10,000, 3 delegates, etc.

The Small Package Division delegates would be elected to 3 year, non re electable terms, and would receive the same wages and benefits they got when they were working, plus a modest housing allowance for those who'd have to relocate to participate in the council's work.

The three primary functions of this body would be - bargaining the IBT small package industry international agreement, coordinating national organizing drives at non union small package, airfreight and logistics firms, and handling appeals from local union trial committees.

Also, the Division would keep the members in that industry informed of the latest developments, by publishing a national newsmagazine, and maintaining a website, as well as assisting local unions, as well as shop committees in service centers, and individual UPS, FedEx and Airborne workers, in setting up and maintaining labor related websites and newsletters.

The model I proposed above could also serve as a template for reorganizing the IBT as a whole..and a blueprint for organizing the nation's 500,000 unorganized freight workers, as well as the 2 million other non union commercial drivers and warehouse workers in America today.

Of course, I'll freely admit that my proposal is a radical plan, very far removed from the current setup in the IBT. Then again, considering the deep, and possibly fatal, crisis in the Teamsters..I think it's long past time for radical changes in the nation's largest blue collar union.

Needless to say, it would take a mass movement of Teamsters, and unorganized freight and small package workers, to transform the International Brotherhood of Teamsters so radically.

The question is, who'd organize and lead that movement?

The Teamsters for a Democratic Union caucus would be a logical choice..after all, they're the group that made the IBT the most democratic union in America. And, many rank and file activists in the IBT either identify with, or are actually members of, the TDU.

But, unfortunately, TDU's leaders seem wedded to bylaw and election reform as their only strategy.

Not that those things aren't important...but, without a mass movement to raise part time wages, establish full time jobs, and improve working conditions in the barns and service centers, an electoral strategy can very easily degenerate into merely exchanging one set of union bosses for another.. And that's far from the kind of radical change that the Teamsters need to survive as a trucker's union.

There's also the fact that those 70% of Teamsters who abstained from voting in the last general election obviously don't see the electoral strategy as viable..

This writer thinks it's long past time for TDU activists to look beyond just reforming business unionism, to a strategy of revolutionary unionism....

Otherwise, it's entirely possible that the once mighty IBT might continue it's decline. If present trends continue, in just a few years, just about all of freight will be non union..and the Teamsters might dwindle down to just UPS, Airborne, the 'nontraditional' teamsters and a few other odds and ends.

Imagine how bad the UPS contracts will be then....especially if the average United Parcel part time Teamster is still making Burger King wages....

In any event, it would be a real tragedy if rank and file activists within the Teamsters didn't try to rebuild their union, and reorganize the entire common carrier road freight industry.... And not just a tragedy for Teamsters, but for the entire American blue collar workforce.

That's it for now.

Be union, work safe.

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