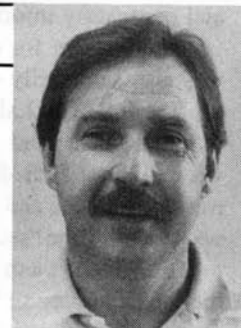

Interview: John Cox of the United Mine Workers



Pittston's confrontation tactics doomed to fail in today's world

by Suzanne Klebe

The United Mine Workers waited 14 months without a contract to finally walk out on the Pittston Coal Group in April 1989. Pittston, with headquarters in Greenwich, Connecticut, operates in Virginia, Kentucky, and West Virginia. The company mines high-grade metallurgical coal, mostly for export—47% goes out in exports; 57% of that goes to Japan for steel production. It is the largest coal producer in Virginia, and one of the major U.S. exporters.

Union articles document a company in trouble, noting the fall of Pittston's fortunes from 1984-87 as it diversified out of coal into air freight, home security, and transportation of precious metals (Pittston owns Brinks Armored Cars). The company took \$133 million loss in 1987, and reduced working capital by 97%. It has denied a dividend to shareholders in each of the last five years. Coal still generated 32% of the company's sales revenues and 53% of its operating profits in 1988. Additionally, during the same period, labor productivity rose, reporting a 72% rise from 1984-87, and a 27% rise in 1987 alone.

Still, by 1986, the company had evidently decided to "diversify" out of its union. In that year, the company set up a non-union division called the Pyxis Resources Company, and began shifting its coal operations into this division. The union reports that "in 1986 alone, its union operations lost over 52 million tons of coal reserves, while its non-union arm gained more than 44 million tons of new reserves. In some instances, rich coal reserves have been sold by union mining divisions to the parent company for token sums—\$10—then deeded back to the non-union division for the same amount."

In January 1988, the industry-wide Bituminous Coal Operators Association contract came up for negotiations. The contract promised a 15% reduction in Pittston's labor costs, in exchange for increased job security. In particular, the union called for protection for workers whose mines were shut down, or cut back in production, by allowing them to carry their pensions and other benefits to other mines with them. They also demanded that these workers be given first priority when a new mine opened.

Pittston refused to sign, citing its need for "operational

flexibility" in international trade negotiations. They demanded a separate contract, and proposed, among other points, that pension benefits be made "non-portable," i.e., not transferable from company to company, thus limiting a miner's coverage to the existence of a certain mine. Pittston called for a cut in health care benefits, in a change from full coverage to an 80-20 plan. The company is questioning the constitutionality of proposed legislation that would require them to continue to pay into the industry-wide trust that provides pension benefits for retired miners and their dependents; approximately 118,000 miners and their dependents are currently covered. The company also contends that health benefits have been misused by the miners, pointing to a higher number of prescriptions per family than the national average for blue collar workers. At a meeting in Connecticut, one company officer complained that the miners were buying too much Valium!

In February 1988, contending that no contract existed at that time, Pittston cut off health insurance for 1,500 retirees, widows, and disabled miners, and stopped pension contributions on currently employed union members. The company also eliminated mandatory arbitration of grievances and the union's dues checkoff. In November 1988, the company presented the UMW with a "take it or leave it" proposal, and refused to participate in further bargaining. In April of 1989, the UMW went on strike.

From the beginning, this strike had a new element as the Commonwealth of Virginia under Gov. Gerald Baliles deluged the area with state police, purportedly to enforce the state's "right to work" laws. The state now has 25-40% of its troopers stationed throughout southwest Virginia, together with the Vance Asset Protection Service, hired as security by the company. A letter written by Dickenson County Sheriff Avery Phipps to Governor Baliles recently characterized their activities as "martial law being imposed under the pretext of enforcement of the right to work law." The courts, both state and federal, simultaneously entered the strike, limiting the union's demonstrations with court orders, and exacting extraordinary fines.

John Cox is vice president of Local 1058, District 31, of

the United Mine Workers in West Virginia, and an international representative of the UMW.

EIR: There was a ruling against Pittston for unfair labor practices. Were there any measures taken against Pittston for that?

Cox: None whatsoever.

EIR: Wasn't there a congressional committee that questioned the way the courts were being used in Virginia?

Cox: They chastised them, for what they did. Basically, it said in that report, that management did have unfair labor practices, that management did have unethical forms of behavior and a manner in which they promoted the strike instead of trying to negotiate a settlement. Their security was key to inducing a lot of the violence down there. Either they self-induced it, or they created it.

EIR: Provocateurs?

Cox: Oh, sure. Vance International's asset protection teams are paid professionals for this purpose. When you see a window blown out of a building by a couple sticks of dynamite, with 20 sticks lying close by, that's not done by our people. If our people wanted to blow up that building, they would have used every stick of dynamite there. They showed a car that had a stick of dynamite that blew out one of the fender wells. Grant you, I'm not going to say there is no violence, in regard to what they call the jack rock that's thrown out to flatten a tire, or the people that sit in the road—they have pictures of people throwing rocks. But we're talking about people that want to work, people are frustrated. We worked 14 months without a contract, uncharacteristic of the history of the United Mine Workers. In the guidelines of the United Mine Workers, it says if you have no contract, you have no work. This time, we showed the Labor Department beyond a shadow of doubt, good faith. We showed them that we wanted to work, and continued to work. They didn't even want to listen to us. . . .

EIR: So, there were statements from the federal government, but basically there has been no move against Pittston, and there is massive support for Pittston coming from the banks, from the governor's office.

Cox: Oh my goodness yes, sure. The governor made a statement on Sept. 21 that he was thankful that the coalminers walked out of the preparation plant at Moss No. 3, but said he wouldn't talk to the coal miners because we were basically endorsing the violence and the breaking of the law. It's like having a debate with yourself, because the other side won't talk to you.

EIR: When you're trying to get a meeting with Baliles, what do you want to say to Baliles?

Cox: I want to ask Governor Baliles, first of all, why do you

need 400 state policemen, because that's showing us, that the state is not for us. We have not done anything violent, with regard to the Moss No. 3 preparation plant. If we wanted to, the guys in there could have sabotaged that whole plant. They didn't. They can check it out. That plant was not touched. . . . I'm still saying the system does work, but this politician, Gov. Gerald Baliles, does not work with us. We're the people of southwest Virginia, but we are ostracized from the rest of Virginia, because we're union, in an anti-union state.

EIR: They're out to bust the union, and maybe they think that if they can break the contract with Pittston, they can break the national contract.

Cox: Exactly. First of all, we missed a grand opportunity to show the United States government that the labor movement was alive, when President Reagan put down the air traffic controllers. I don't know the complete circumstances, or their contract, or their oath for working, whether or not they were justified in what they did. But they walked out in a labor dispute. And the government said, if you don't go back to work tomorrow, you're fired, and got away with it. Ultimately, PATCO [air traffic controllers union] filed for bankruptcy and no longer is a union. . . .

We lost a grand opportunity to show the United States government, we're not going to let this happen. That's when we should have massed the AFL-CIO, the Teamsters, the United Mine Workers, the Sheet Metal Workers, every union in this country should have shut this country down for one day. That would have given the U.S. government a sign. . . .

I believe that Mike Trumka is in the forefront of the labor movement, not only because he is the president of the union of which I am a member, but also because I believe he has the ideals and thoughts of the intelligent youth of today. We were the ignorant workers of yesteryear. I'm not putting down my father and grandfather, but we weren't educated like they are today. And that scares management, and scares government. . . .

Obviously, Lyndon LaRouche is behind bars because the government believes he is wrong. Allegations brought against him put him in jail, and the conservative news media and the government tried and convicted him before his court date.

EIR: In the case of one of LaRouche's associates, Michael Billington, now on trial in Virginia, they are saying that anyone with firmly held principles, should be judged psychiatrically incompetent.

Cox: Well, see, the competency of the labor movement, I don't think they can question that. They can take someone who thinks different from them and say, "Well, they have to be crazy. Because anybody who would think different from our way of thinking is either communist, anti-American, or a flag-burner, and we won't tolerate that." . . . Many, many unions see [the Pittston strike] a catalyst for

either their success or their failure. This will ultimately be resolved not only by the Congress of the United States, but by the American people. Not by Virginia people alone, because they still believe that the old South still lives. They support right to work. And I say, define the right to work law, and 90% of the people cannot explain to me what the right to work law is. They think the right to work is going to create X amount of new jobs. You're going to work all right, you're going to work two or three jobs without any benefits. If you're a black or you're a woman, you're going to get a secretarial job, and be a Kelly Girl for the rest of your life. Or you're going to work at McDonald's for the rest of your life. They don't want you to be middle America. We call it the right to work for less. . . . In every state the right to work law has been passed, the income for that state is \$10-12,000 less per family than in the North.

EIR: With Pittston diversifying into gold, gems, Brinks, plus in the case of Eastern Airlines, the whole junk bond phenomenon, what you have is massive speculation, and they want the workforce to pay for it, through wage cuts.
Cox: With the hopes that if one goes bad, one subsidizes the other, to keep them afloat.

EIR: Given the fact we are in a crash, the junk bonds are going broke, the leveraged buy-outs are going broke, then what's on the agenda on the labor side, is something different, which is how do you rebuild the productive economy.
Cox: The companies that have been the most productive (both union and non-union) are the ones in which labor and management cooperate with one another and each person is cared about as an individual and not as just another social security number. Confrontational techniques that are employed by companies such as Pittston worked in the 1920s and do not work at all today. The *smart* companies don't treat their workforce in these dehumanizing ways, which should tell you a little something about Pittston and what really put them in the financial shape they're in today. American companies have traditionally treated their workers as tools, to be used and then discarded, instead of human beings. That is one reason why Japanese companies and their management techniques are so successful and productive.

Again, to answer your question: That's down the road, and it scares me to think about that now. My objective, without getting into speculative bond markets, or what management's going to do in regards to diversifying or subsidizing one company with the other, my concern is to keep our people union, and sit down with [Pittston's] Paul Douglas, and negotiate a contract so we can make this man some money. We are proud people, proud workers, we take pride in our jobs, and we do it better than anyone else in the world. They have replacement workers now who are getting hurt in astronomical numbers. In fact, the Mine Safety and Health Administration, the enforcement agency for the mines, shut

down the McClure No. 1 mine, which several years ago blew up and killed seven people, and they were only fined \$4 millions of dollars for civil disobedience.

EIR: What are the fines so far?

Cox: To be exact, I don't know, because every day there's another million—\$25.4

EIR: So as these fines accumulate, they're enough to wipe out the national debt.

Cox: Oh yes, yes. We were just fined an additional \$13 million by Judge McGlothlin last week. I'm sure that because of the takeover at the Moss No. 3 preparation plant, the fines will be in excess of \$600,000 a day. These are new fines on top of the old fines. If they can go ahead and break our union, financially, we'll be like the PATCO union. We'll be unable to survive as an entity within the labor movement. We'll be no more than a memory.

EIR: Are you appealing the fines?

Cox: Oh yes. Well, I can't speak for the union, but as far as I know, everything is being appealed. . . . Their sole goal is to bankrupt the United Mine Workers union. I don't know what the financial situation of the international union is. But if it's \$10 and they're asking for \$20, they are going to take that \$10.

I would like to conclude just by saying, that we have to understand one thing. We are American citizens, the Constitution gives us the rights that our forefathers handed down to us. And it told us that with common sense, and moral hearts, we should continue to make the United States of America the strongest nation in the world. And we are slowly but surely forgetting the words of our forefathers. And we are not remembering why we revolted to make this country. Tyranny, taxation without representation. The newspapers take away the right of the First Amendment. If I want to give an interview, it will be put under the obituaries under John Doe. But if Paul Douglas makes a statement, he gets front page. We have to do something like taking over the Capitol grounds. Will the United Mine Workers be taken down by the militia? Will the National Guard be called in? We call a press conference to talk, like we are here, the media is not around. The media only wants to see the vultures picking our bones.

We're not going to let it happen. We are a smarter, more intelligent worker. We love this country, we love the ideals of this country, and we are appalled at the leaders of this country. And some say we can't do anything. . . . We can do something. One person can make a difference. If the majority of this country, the people who sit at home with a lackadaisical attitude, and says, to hell with it, I'm not going to vote, if those people would exercise their God-given right under the Constitution and vote, then the politicians would say, we have awakened a sleeping giant, and we have to listen to them. . . .