

## Labor in Focus by Marianna Wertz

### Hype won't save steel industry

*The steelworkers are demonstrating to "save jobs," but they lack a program for an economic recovery.*

On June 21, the United Steelworkers of America, joined by five of six large steelmaking companies, will sponsor "Save American Industry and Jobs Day." The nationwide million-dollar extravaganza will feature as many as 100 simultaneous rallies at industrial or formerly industrial sites, all hooked up to a live satellite teleconference which will originate in Washington, D.C. At 2 P.M. (EDT), for 90 minutes, the rally sites will be joined together for a teleconference, to be broadcast from the main stage event in Washington.

The purpose of this giant show, according to the USWA, is to make the nation "aware of the plight facing America's steel industry, and the ripple effect it is having on other lives within steel communities." A congressional resolution, H.J.R. 590, officially designates June 21, 1986 Save American Industry and Jobs Day.

The June 21 event caps an 11-week "citizens' lobbying effort," titled "Communities in Distress," in which busloads carrying hundreds of steelworkers, their families, and community representatives have been traveling to meet with congressmen in Washington, D.C.

The background on which this unprecedented lobbying campaign has been staged is the ongoing contract negotiations between the USWA and the six major steel companies, and the aluminum and copper industries. To date, only LTV, National, and Bethlehem Steel have settled new contracts, while U.S. Steel opened negotiations on June 12 with the union. The

steel companies' participation in the June 21 event was predicated on the USWA concession allowing early reopening of the contracts for "give-backs." In exchange, the companies, except U.S. Steel, agreed to put some money into the "awareness" extravaganza.

Meanwhile, the steel industry has all but collapsed. The union, confronted with a dying industry, has refused to confront the "post-industrial society" dogmas ruling U.S. institutions, including the steel companies, who have been diversifying out of steel and into everything from real-estate speculation to fast-food stands as fast as they can. The USWA whines for protectionist legislation and "full employment" while granting huge concessions to the companies to keep them afloat. Since 1983, the union has given back \$1.7 billion in wage and benefit cuts, and this year's settlements have not changed the pattern.

Steel industry figures bespeak the total devastation of the nation's most important industry. Since 1977, steel employment has decreased by 56%, from 452,000 to approximately 200,000 today. As of 1984, the basic steel industry had a total debt of \$7.9 billion, and is now borrowing, not to modernize, but simply to maintain current operations.

U.S. Steel, the largest American steel company, and typical of the industry as a whole, has been losing millions of dollars per year on its steel operations. During the past six years, the company's steel division claims pre-tax losses of \$2.37 billion, ac-

ording to an audited statement prepared for its contract negotiations.

As Rep. Don Ritter (R-Pa.) pointed out at a USWA news conference in early May, kicking off the "Communities in Distress" program, "The demise of the smokestack industries is the demise of the United States' ability to defend itself." According to a September 1985 report by the Federal Emergency Management Agency, the U.S. industry's capacity for steel plate, required for all forms of military hardware as well as tanks and ships, in 1983 was only 9.2 million tons per year, about 18% below what would be required for an emergency war mobilization. Since 1983, the industry's overall steelmaking capacity has dropped an additional 15%.

The situation in the nation's aluminum and copper industry is no better. Employment in the copper industry has declined from 45,000 in 1982 to 12,000 today.

The kind of spectacular lobbying effort the USWA is putting on will undoubtedly attract a fair number of newspaper headlines and crying-towel commentaries about abandoned workers, but by itself will do nothing to reverse the process of deindustrialization. The point is not that steelworkers, or management, are deserving fellows who ought to be "saved," but that the United States cannot survive economically or militarily without a steel industry. Certainly, the U.S.A.'s \$3 trillion infrastructure deficit (bridges, highways, dams, for starters), its need for emergency defense buildup, nuclear energy plant construction—all require large amounts of steel. Top to bottom economic reforms in U.S. credit and tax policy are necessary to mandate massive investments in new plant and equipment, and to improve productivity in an industry which is now a junkpile.