

The Global Social Factory & Supply Chains

Internationalist Class Struggle Across Borders

MODULE FOUR READER



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Offshoring US Transportation Jobs to Mexico-- The Looming Deadline

By Richard D. Vogel (2011)

<http://combatingglobalization.com>

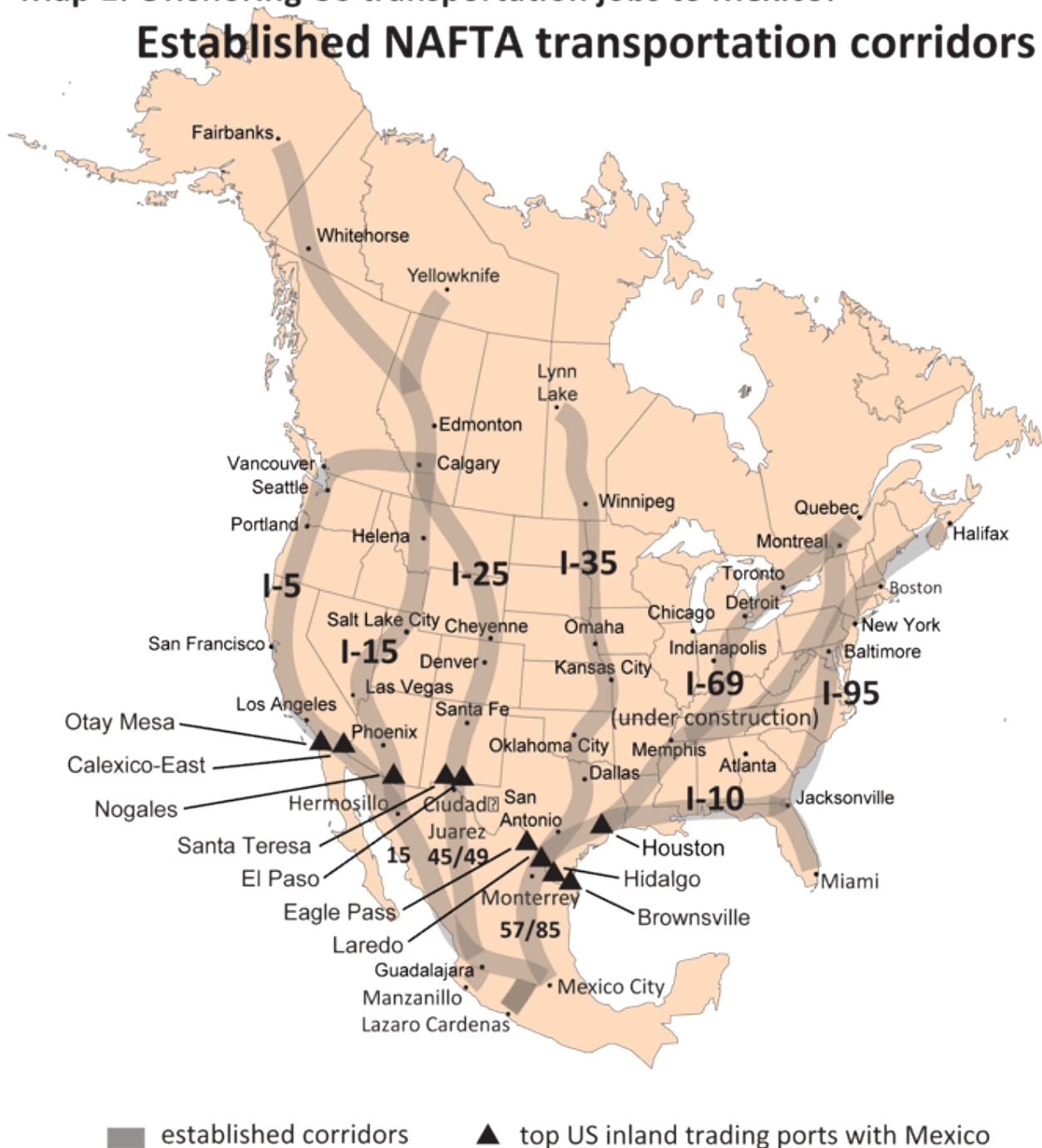
Author's note: This article is an update to The NAFTA Corridors: Offshoring US Transportation Jobs to Mexico that was originally published in Monthly Review in 2006.

The North American Free Trade Agreement is the gift that keeps on giving to transnational corporations (TNCs) **and taking** from US workers. Now, following the migration of countless manufacturing jobs in the 1990s and early 2000s, tens of thousands of US transportation jobs are about to move south of the border.

After a 17-year delay caused by stiff political opposition from labor unions , environmental and community groups, and dedicated individuals, the provision of NAFTA that allows trucks from the United States, Mexico, and Canada to cross the border and deliver anywhere inside the other country is about to go into effect. On April 8, 2011 the US Department of Transportation (DOT) announced a three-year probationary program that will lead to permanent operating authority for Mexican carriers inside the United States. Since the mandatory 30-day comment period on the program expired in May, provisional authorizations could be granted at any time.

The impact of cross-border trucking with Mexico will be widespread and devastating for US workers. Map 1 illustrates the infrastructure that is in place to accommodate truck traffic originating in Mexico.

Map 1: Offshoring US transportation jobs to Mexico: Established NAFTA transportation corridors



There are four well-established NAFTA transportation corridors that reach the farthest corners of North America:

The **Pacific corridor** primarily uses highway 15 in Mexico and I-5 in the US. At the US-Mexico border it crosses through the inland ports of Otay Mesa, Calexico-East, and Mexicali. This western-most NAFTA corridor connects the maquiladoras of western Mexico and the Pacific maritime ports of Mexico where US-bound imports from the Far East are landed to avoid unionized ports in the north with US and Canadian markets.

The **central western corridor** connects the large concentration of maquiladoras in central Mexico with northern markets. Most of the surface traffic on this route presently follows

highways 15 and 45/49 in Mexico and I-15 and I-25 in the US. The western branch of this NAFTA corridor is the proposed route of Canamex, a state-of-the-art, four-lane highway to accommodate ever-increasing NAFTA traffic that will extend from Mexico City to Edmonton, Alberta. The central western corridor crosses the US-Mexico border at the inland ports of Nogales, Santa Teresa, and El Paso.

The **central eastern corridor**, carrying the most traffic in the NAFTA transportation network, follows highway 57 from Mexico City to Saltillo/Monterrey, the industrial center of the nation, and then heads north on highway 85 to Laredo, the busiest port on the southwestern border. At Laredo the central eastern corridor branches out--I-35 heads due north through the center of the continent, while the I-69 corridor, which is under construction, travels northeast along various highways through the heart of the Midwest and on to the major urban centers of eastern Canada.

The **Atlantic corridor** which traverses the entire Atlantic seaboard via I-95 is connected to the industrial center of Mexico by I-35, US 59 (a link in the future I-69 corridor) and I-10. The Atlantic corridor, supplemented by the Appalachian corridor that runs from the Mid-south to Pennsylvania and the Champlain-Hudson corridor that spans New York on its route to Quebec, delivers NAFTA products to a population of over 55 million inhabitants spread out over 4 Canadian provinces and 188 counties in 13 US states.

The NAFTA corridor system in North America is the biggest and busiest surface transportation network in the world, and the central issue effecting American workers is the number of transportation jobs in the north that will be offshored to Mexico under the cross-border provisions of NAFTA.

Tens of thousands, plus

According to the DOT, 4,742,925 trucks crossed the US-Mexico border in 2010. That amounted to over 18,000 trucks during each working day, with 5,500 trucks crossing daily in Laredo alone. In view of the current increase of maquiladora manufacturing fueled by the tentative economic recovery in the US, the DOT predicts that cross-border truck traffic will exceed 5 million in 2011.

Under current regulations, Mexican carriers are restricted to a commercial zone along the border where US carriers, including thousands of independent owner-operators¹, pick-up the loads for delivery to US and Canadian destinations. A significant number of these US transportation jobs will soon move south of the border just as millions of manufacturing jobs did after the ratification of NAFTA. Both the contract and the corporate in-house trucking/warehousing sectors of the US transportation industry will take big hits with the activation of the cross-border trucking provisions of the treaty.

An exact estimate of the job loss is difficult to make but unnecessary--the current volume of NAFTA traffic from Mexico suggests that tens of thousands of driving, warehousing, terminal, and support jobs in the US and Canada are at stake.

In addition, drivers and workers in the north who still have jobs will find themselves competing with a reserve transportation workforce from the south that is working for Mexican wages. Without a doubt, citizen transportation workers in the north will share the dismal fate that citizen manufacturing workers suffered under NAFTA.

The myth of Mexican carriers and the TNCs

The myth that Mexican carriers are going to get the transportation jobs is the smokescreen behind which the TNCs are operating. To be sure, there are some Mexican-owned carriers that will capture a small percentage of the US transportation jobs that move south of the border, but that is a sideshow to the main event. Under the new rules, the TNCs that exploit maquiladora manufacturing in Mexico and the in-house trucking/warehousing operations of the TNC-owned big box retail stores will benefit most from cross-border trucking. According to a US Congressional Research Service report, "Mexican Trucks in the United States", there were more than 1,000 US-owned trucking companies in Mexico awaiting authorization to begin cross-border operations in 2001, and there are more now.

Walmart is the leader of the pack ². This largest of the TNCs is currently preparing to move many of its mammoth distribution centers in the American Southwest (primarily in Texas) south of the border and will discharge half of its army of drivers and warehouse workers in the US and recruit replacements in Mexico as soon as it can. Mexican carriers as the beneficiaries of NAFTA is a myth--thousands of Mexican drivers operating TNC-owned trucks and Mexican and Central American workers laboring in TNC warehouses and distribution centers will be the new reality.

An impending triumph of neoliberal labor policy

The implementation of the cross-border trucking provisions will be the greatest triumph of neoliberal labor policy in North America since the expansion of maquiladora manufacturing across Mexico under NAFTA. The central strategy of the cross-border trucking provisions is the same as that of the main treaty--to enhance the profits of the TNCs by offshoring jobs to the cheaper labor markets of Mexico.

The irony of the present case is that while the jobs will be based offshore, most of the work will be done onshore. Perhaps the prospect of an army of drivers from the global South delivering name-brand merchandise produced in maquiladoras in name-brand trucks manufactured in Mexico³ across North America will open the eyes of working people to the devastating impact of neoliberal globalization on their ranks.

The offshoring of US transportation jobs to Mexico will be another major milestone in the race to the bottom for labor in North America, and it is axiomatic that the race is far from over. Failure to challenge this current neoliberal attack on working people will embolden the TNCs to take even more.

¹ Trucking deregulation in the US during the 1980s and 1990s created a huge pool of contract haulers, many of whom are independent owner-operators working on thin profit margins. The Owner-Operator Independent Drivers Association which represents over 151,000 drivers does not report on how many of their members are involved in the NAFTA business, but the organization is officially opposed to cross-border trucking. A significant number of owner-operators, unable to compete with Mexican wages under NAFTA rules, will be financially ruined.

² The list of TNCs operating in Mexico is long. In addition to Walmart, Target, Home Depot, Costco, Lowes, Sears and 100s of smaller businesses have supply-chains south of the border, and many more will move offshore when the cross-border trucking provision of NAFTA goes into effect.

³ At the present time Freightliner, Kenworth, Peterbilt, VW, Volvo, Navistar, and Cascadia long-haul and heavy-duty trucks are made in Mexico.

North American Free Trade Zones (FTZs): Undermining US and Canadian Transportation Workers

By Richard D. Vogel (LaborFest July 19, 2009 San Francisco)

Defining the Issue

Free Trade Labor (FTL) refers to labor that is subject to the arbitrary rule of capitalism. The offshoring of jobs and onshoring of temporary workers through managed labor mobility (e.g. guest worker) programs are the dominant strategies for providing corporate access to FTL in the modern world. Free trade labor, in the final analysis, is a zero-sum game for working people.

Free Trade Zones (FTZs) are legally defined areas provided and underwritten by governments to facilitate the exploitation of FTL within their jurisdictions. Free trade zones in North America are undermining US and Canadian transportation workers across the continent.

A brief overview of FTZs puts the current developments in North America in context.

States within States

In 1999 there were over 3,000 FTZs located in 116 countries around the world. Combined, they employed over 43 million workers. Although FTZs undermine all working people, the new zones envisioned for North America specifically target transportation workers.

FTZs, usually located on major trade routes, grant multinational corporations access to cheap labor markets and offer exemptions from taxes, tariffs, and government regulations. Historically, governments dominated by corporate interests demand FTZs while governments that need to create jobs provide them. Hosting governments routinely fund infrastructure development and supply utilities, management, and security services. In many cases they agree to pay penalties if client corporations fail to produce a profit because of labor unrest.

The initial FTZs were strictly offshore operations. The first free trade zones were established in Latin America during the early 20th century and spread throughout the developing world during the 1960s and 1970s. The FTZs evolving in North America are blurring the distinction between onshore and offshore operations by being located adjacent to, or actually straddling, international borders.

The primary function of FTZs in North America is markedly different from those operating in the developing world. The growing dependency of the North American economy on the importation of cheap manufactured goods from the Far East is shifting the focus of FTZs to logistic operations. The fact that the value added to imports from the Far East by transportation often exceeds the value added by manufacturing means that transnational corporations seek to reduce transportation labor costs in order to maximize profits. *The main function of FTZs in North America is to provide legally sanctioned sites for intense labor exploitation.*

Understanding how FTZs are undermining US and Canadian transportation workers in North America is vital to the struggle against the increasing inequality and mounting environmental damage resulting from neoliberal globalization.

Above the Law

The autonomy granted to FTZ authorities by national governments presents substantial threats to working people and the environment wherever the zones are established.

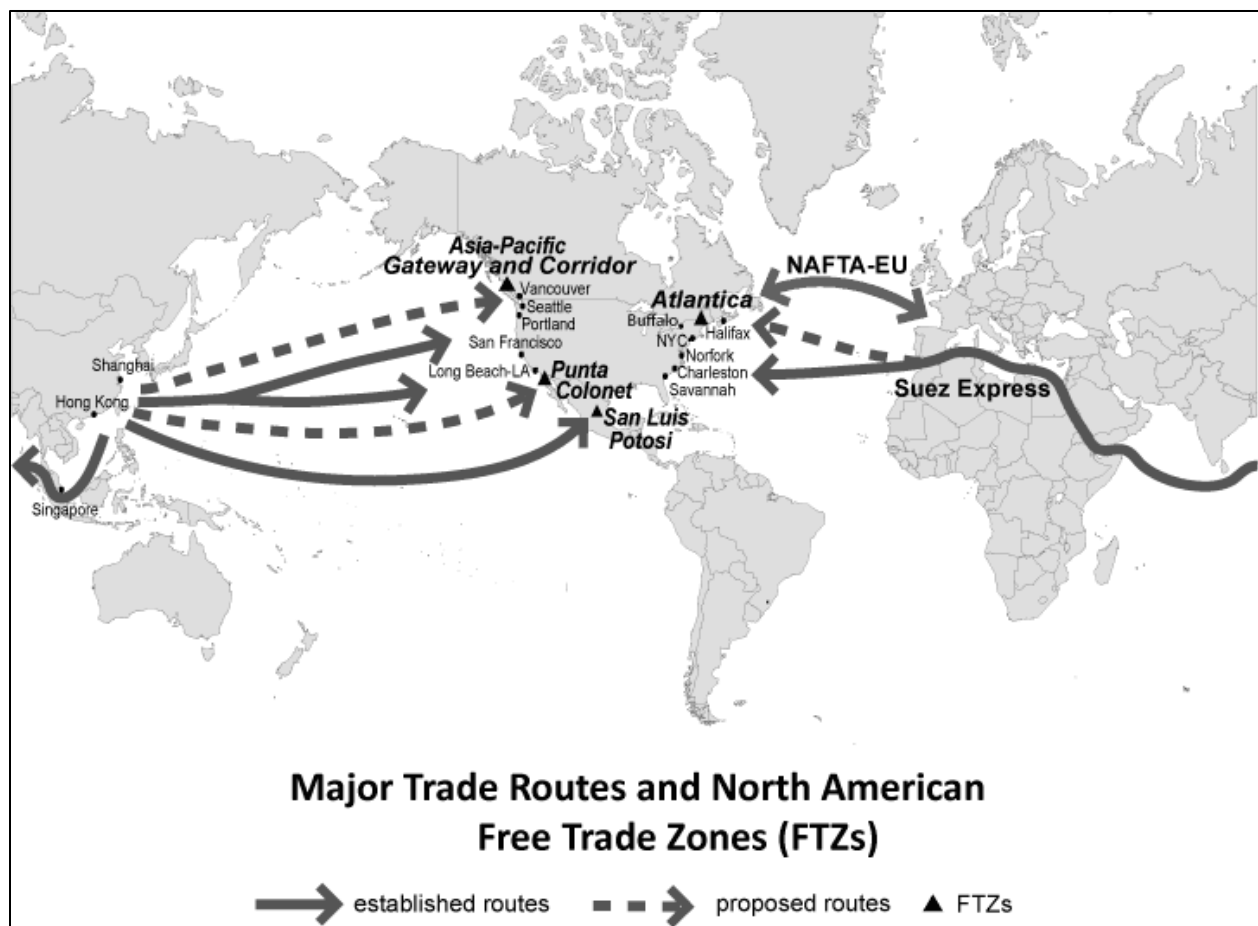
The primary threat is that legal exemptions granted to transnational corporations in FTZs allows them to dictate wages and working conditions within the zones, placing client corporations above the law. Although usually not granted outright immunity to national laws, businesses can evade the labor regulations of the host country through legally sanctioned but essentially arbitrary administrative procedures. A common practice to guarantee corporate hegemony is by officially recognizing company unions and hindering independent trade unions within FTZs. In most FTZs, the isolated locations and state-of-the-art security systems effectively stifle independent union organizing.

FTZs that also grant exemptions to national environmental protection laws are common in the developing world, allowing transnational corporations to relocate their dirtiest operations instead of cleaning them up. FTZs everywhere are exacerbating environmental damage by concentrating transportation pollution around free trade zones and corridors.

The detrimental social impact of FTZs is the direct result of tax and tariff exemptions along with various financial incentives offered to attract businesses. These exemptions reduce government revenue and starve the social infrastructure of the host country. Funds that could be dedicated to health, education, and welfare programs are retained by the transnational corporations, compounding local, national, and global inequality.

These economic, environmental, and social threats are looming over North America as FTZs are developing across the continent. Although the Border Industrial Program established a rudimentary FTZ in northern Mexico and all of North America was declared a free trade zone under NAFTA, the legally dedicated and government sponsored FTZs located on major trade routes will have the greatest impact on working people and the environment and therefore deserve special attention.

Map 1 shows the major existing and proposed trade routes and FTZs in North America.



Established Routes and FTZs in North America

The established trade routes and FTZs in Mexico show the lengths to which transnational capitalism will go in order to provide cheap commodities to the markets of North America.

San Luis Potosí

Mexico's first two FTZs (Parque Logistico and Logistik FTZ), both located near the city of San Luis Potosí, constitute the southern terminus of the mid-continental NAFTA corridor that runs all the way to Duluth, Minnesota via I-35 with connections to Winnipeg on I-29 and to Chicago and Detroit/Windsor by way of I-94. Both FTZ's provide multimodal transportation facilities and assembly sites for products and components imported through Mexican maritime ports and re-exported to US and Canadian markets.

In the past, foreign businesses operating in Mexico had to pay a value-added tax on re-exports, but under the country's new foreign trade zone law all merchandise bound for foreign markets is exported totally tax-free, exempting client corporations from any liability for the social costs of production in Mexico.

Parque Logistico, which has 240 acres developed and holds 1200 acres in reserve, is building more than 500,000 square feet of warehousing and is ready to accommodate any kind of business. The multimodal terminal under construction at Logistik FTZ is being built in four stages. The first stage will allow the handling of approximately 50,000 shipping containers per year. In its

final stage the terminal will process more than 200,000 containers annually. The products assembled and repacked at Logistik FTZ alone will ultimately fill 500,000 truck a year that will head North on MX 57 and eventually cross the border at Laredo and other Texas points of entry.

Parque Logistico and Logistik FTZ demonstrate the essential threat of all FTZs. The work in these zones is done by poor Mexican or immigrant Central American workers at wages dictated by the companies and endorsed by the state through *charro* unions. An examination of aerial photographs of Parque Logistico, a typical FTZ layout, reveals how difficult it would be for independent union organizers to even approach workers on-site.

The volume of traffic through the Mexican FTZs is growing exponentially. According to the US Bureau of Transportation, over 3 million trucks crossed the border from Mexico into Texas in 2008 and that number could double in the next 10 years. If the US honors the commitment that it made under the terms of NAFTA to open-border trucking, Mexican, Central American, and Caribbean truckers working for transnational corporations will haul the vast majority of future loads, including backhauls from the US and Canada. Truckers in the North will have to work at wage levels set in Mexico.

Although the expanding FTZs in Central Mexico have already undermined US and Canadian transportation labor significantly, the FTZs envisioned for Punta Colonet on the west coast of Baja California, the Asia-Pacific Gateway and Corridor Initiative in lower British Columbia, and Atlantica: the International Northeast Economic Region represent far bigger threats to working people across the continent. *These proposed routes and FTZs are central to the neoliberal strategy to bypass organized transportation labor in the established ports of the US and Canada.*

End-Runs around Organized Labor on the West Coast

I: Punta Colonet

The proposed FTZ at Punta Colonet will be centered around a new deep-water port to be built on the Pacific coast of Mexico 130 miles south of the US-Mexico border. Punta Colonet is being designed to handle 1 to 2 million containers when it becomes operational and increase to 6-8 million containers by the year 2020, offering serious competition to the ports at Long Beach and LA. Plans for the initial phase of the Punta Colonet FTZ also include 1 million square feet of warehouse space for assembly and repacking operations. Many of these operations that are currently located in southern California will follow the container traffic to Baja California.

Most of the traffic generated at Punta Colonet and bound for the heartland of the US and Canada will cross the border at Mexicali, Nogales, or El Paso, severely stressing the fragile environment of the northern Sonoran Desert. Failure of the Punta Colonet FTZ to adopt adequate environmental protection provisions could produce coastal transportation pollution that will rival that of the western Pacific Rim.

Upon completion, Punta Colonet will employ over 100,000 transportation workers and dwarf the FTZs already operating in central Mexico. As in the FTZs at San Luis Potosí, transnational corporations will dictate wages and working conditions in the zone and more deeply undermine transportation workers in the North. If the cross-border trucking provisions of NAFTA are finally

implemented, tens of thousands of trucking jobs in the US and Canada will be offshored to Punta Colonet.

The deplorable wages and working conditions that Mexican and Central American workers can expect at Punta Colonet already prevail in Tijuana today.

Though the FTZs in Mexico present the biggest threat to west coast labor, the Asia-Pacific Gateway and Corridor Initiative, a FTZ being developed in Canada, will divert even more west coast shipping traffic if neoliberal plans for the zone are realized.

II. The Asia-Pacific Gateway and Corridor Initiative (APGCI)

Originating at Vancouver and Prince Rupert on Canada's west coast and extending to the Great Lakes region, the Asia-Pacific Gateway and Corridor Initiative is being developed to divert container traffic from established west coast ports in order to deliver imports from the Far East to the heartlands of Canada and the US as cheaply as possible. The total estimated outlay for APGCI projects, including expanded port facilities, advanced traffic control technology and comprehensive transportation infrastructure improvements, is nearly \$1 billion.

Despite the huge capital investment, the success of APGCI as a free trade zone and corridor depends almost entirely on the implementation of a guest worker (FTL) program to provide an abundant supply of cheap immigrant transportation labor. The Canadian Trucking Human Resources Council has estimated a demand for 37,000 new truck drivers a year during the initial years of operation to make the initiative work. The number of freight handlers and repack and assembly workers that will be needed will be double that. English speaking workers from southern Asia are being targeted as the primary FTL pool for APGCI transportation labor.

A viable FTL program is also the key requirement for undermining organized labor on the east coast.

Breaching the East Coast Labor Front

Atlantica: the International Northeast Economic Region (AINER)

Atlantica is a plan to bypass organized labor on the east coast by establishing a FTZ and corridor that will run *between* the established ports in Canada and the US. Atlantica would be a unique FTZ in that it would cross the international border and span three Canadian provinces and four US states.

The Atlantica corridor will extend from the port at Halifax, Nova Scotia to Buffalo, NY to transport freight that arrives from the Far East via the Suez Express to the Great Lakes region. If Atlantica is established, much of the current NAFTA-EU shipping could eventually be diverted through this FTZ.

Promoted by neoliberals as a matter of economic survival and a master plan to bring prosperity to an isolated region of North America, Atlantica is in fact nothing more than a hyped-up proposal for another FTZ that will benefit big capital at the expense of working people, their communities, and the environment. The Atlantica rail lines and toll road corridor would destroy much of the remaining ancient forest of the northeast and literally divide the province of New

Brunswick and the states of Maine and New York. Areas of Vermont and New Hampshire would be isolated and poor rural communities along the route that cannot afford expensive cross-over bridges will be permanently divided and find their ties the rest of New England severed. The results of environmental impact studies of the Atlantica project, if they have been conducted, have not been made public.

Under ANIER authority, local, state, and even national governance would be subordinated to the rule of transnational corporations. The purpose of Atlantica is essentially the same as that of the existing FTZs at San Luis Potosí and those planned for the Pacific coast--the establishment of a state within a state designed and operated to enhance the accumulation of capital at the cost of local working communities and the environment.

Like the APGCI, the success of Atlantica depends on the adoption of a guest worker program to onshore cheap transportation labor from the hemispheric South. In the case of Atlantica, the nations of the Caribbean would be the primary source of FTL. US and Canadian citizens who do get jobs in Atlantica will have to work for discounted wages.

The expansion of FTZs offers no long-term solution to the current economic crisis and raises the possibility of permanent un- and underemployment among transportation workers in North America.

Free trade zones, those in operation, and those on the drawing board, in conjunction with managed labor mobility (FTL) programs, present a clear and present danger not only to transportation workers but to all working people in North America and their communities.

A Jobless Economy?

The "jobless" recovery of 2001 is instructive in the present crisis. That economic revival was based on a renewed assault on labor that pushed many workers in North America into the informal economy and forced them to compete, both offshore and onshore, with cheap labor from the South. The 2001 recovery was only jobless in the sense that traditional jobs in the US and Canada were replaced by cheaper labor arrangements that gave capital the upper-hand. The present, and much deeper, crisis of capitalism promises to go far beyond what was done in 2001.

The recovery of capitalism in North America this time around requires the further development of FTZs as zones of intensive exploitation linked to FTL programs to supply the cheapest possible labor to businesses throughout the economy. The prospect of a jobless economy in North America--a labor market where workers have no effective control over wages or working conditions and, indeed, no guarantee of work at all--is a real possibility.

The question of the future of FTZs and FTL programs must be placed on all local, national, and global political agendas. To default on this issue is to default on the future of working people and the environment.

Ultimately we will have to face the facts that free trade labor is a zero-sum game for working people, and free trade zones are dead zones for all labor. It is clearly time to consider the socialist alternative that offers environmental sustainability and social security for us and future generations.

Logistics and Opposition

By Alberto Toscano, (*Mute Magazine*, 9 August 2011)

‘Sabotage the social machine’. ‘Incinerate the documents!’ In the first in this issue’s series of articles linking logistics, workplace surveillance and national security, Alberto Toscano examines the anti-urbanist presuppositions of insurrectionary anarchism. Instead of breaking the lines of circulation, he writes, shouldn’t radicals imagine repurposing them to entirely new ends?

The Spontaneous Philosophy of Interruption

It is rare, in contemporary oppositional thought, to encounter the totalising temporal imaginary of revolution that so marked the visions and strategies of the modern left. When it hasn’t been victim to melancholy retreats from the teleology of emancipation, that encompassing horizon of social change and political action has come under attack, alongside the very idea of transition, for domesticating antagonism. Interstitial enclaves or temporary liberated zones, ornamented by discourses of withdrawal and difference, have widely replaced the reference to an advancing, unifying and largely homogeneous planetary movement of liberation. The space-time of much of today’s anti-capitalism is one of subtraction and interruption, not attack and expansion.

Needless to say, any negation of the status quo brings with it spatial separation and temporal disruption, but the contemporary ideology, or spontaneous philosophy, of interruption appears – perhaps as a testament to the claustrophobia of our present – to make something of a fetish out of rupture. This cuts across theory and activism, laying bare a shared structure of feeling between the political metaphysics of events or ‘dissensus’ and the everyday tactics of struggles. Foregrounding interruption implies a particular understanding of the nature of contemporary capital, the capabilities of antagonism and the temporality (or lack thereof) of transformation.

The Coming Insurrection formulates, in a compellingly abrasive way, a widespread conviction that contemporary struggles against capital have shifted from the point of production to those of circulation, distribution, transport and consumption. In other words, that arresting the flow of this homogenised society is a *conditio sine qua non* for the irruption of non-capitalist forms-of-life:

The technical infrastructure of the metropolis is vulnerable. Its flows amount to more than the transportation of people and commodities. Information and energy circulate via wire networks, fibres and channels, and these can be attacked. Nowadays sabotaging the social machine with any real effect involves reappropriating and reinventing the ways of interrupting its networks. How can a TGV line or an electrical network be rendered useless?¹

Behind this statement lies an anti-urbanism that regards contemporary spectacular exploitation and conformity as products of the capillary management of everyday life. Cities are stripped of any life not mobilised for the commodity and pre-empted from any behaviour at odds with a tautological drive for systemic reproduction:

The metropolis is not just this urban pile-up, this final collision between city and country. It is also a flow of being and things, a current that runs through fiber-optic networks, through high-speed train lines, satellites, and video surveillance cameras, making sure that this world keeps running straight to its ruin. It is a current that would like to drag everything along in its hopeless mobility, to mobilize each and every one of us.²

The interruption or sabotage of the infrastructure of mobilisation are the other side of *The Coming Insurrection's* conception of communes not as enclaves for beautiful souls, but as experiences through which to develop the collective organs to both foster and endure the crisis of present, and to do so in a fashion that does not sever means from ends. The book's catastrophic optimism lies in advocating that interruption is somehow generative of anti-capitalist collectivity (rather than passing irritation or mass reaction). It is also founded on a repudiation of the inauthenticity of massively mediated, separated and atomised lives in the metropolis.

There are inadvertent echoes of Jane Jacobs in the scorn against 'indifferent' modern housing and the idea that with 'the proliferation of means of movement and communication, and with the lure of always being elsewhere, we are continuously torn from the *here and now*'.³ Real communities that do not rest on the atrophying of bodies into legal identities and commodified habits are to emerge out of the sabotaging of *all* the dominant forms of social reproduction, in particular the ones that administer the ubiquitous mobilisation of 'human resources'. Materialism and strategy are obviated by an anti-programmatic assertion of the ethical, which appears to repudiate the pressing critical and realist question of how the structures and flows that separate us from our capacities for collective action could be turned to different ends, rather than merely brought to a halt.

The spatial vocabulary articulated in *The Coming Insurrection* is, to employ a well worn dichotomy, not one of revolution but one of revolt. This spatial distinction between negations of the status quo was beautifully traced through the relationship between Rimbaud and the Paris Commune by the Italian critic Furio Jesi. Jesi begins with the evident temporal distinction between revolution conceived in terms of the conscious concatenation of long- and short-term actions aimed at systemic transformation in historical time and revolt as a suspension of historical time. Revolt is not the building up but the revelation of a collectivity. It is, to borrow from André Malraux's *Hope*, an organised apocalypse.

In this abrogation of the ordered rhythms of individual life, with its incessant sequence of personal battles, revolt generates 'a shelter from historical time in which an entire collectivity finds refuge'.⁴ But the interruption of historical time is also the circumscription of a certain a- or anti-historical space, a space torn from its functional coordinates:

Until a moment before the clash [...] the potential rebel lives in his house or his refuge, often with his relatives; and as much as that residence and that environment may be provisional, precarious, conditioned by the imminent revolt, until the revolt begins they are the site of an individual battle, more or less solitary. [...] You can love a city, you can recognise its houses and its streets in your most remote and secret memories; but only in the hour of revolt is the city really felt like an *haut-lieu* [a high place] and at the same time your own city: your own because it belongs to you but at the same time also to others; your own because it is a battlefield you and

the collectivity have chosen; your own, because it is a circumscribed space in which historical time is suspended and in which every act has its own value, in its immediate consequences.⁵

The collective experience of time, and of what Jesi calls symbols (such that the present adversary simply becomes *the enemy*, the club in my hand *the weapon*, victory *the just act*, and so on), means that the revolt is an action for action's sake, an end (as in *The Invisible Committee's* reflections on the ethics of sabotage and the commune) inseparable from its means.

It was a matter of acting once and for all, and the fruit of the action was contained in the action itself. Every decisive choice, every irrevocable action, meant being in accordance with time; every hesitation, to be out of time. When everything came to an end, some of the true protagonists had left the stage forever.⁶

Abiding with the interruptive paradigm of an intransitive and intransigent revolt, we can wonder whether, and if so to what extent, the historical space that revolt intervenes in inflects its character. It is no accident that the kind of sabotage envisioned in *The Coming Insurrection* is on lines and nodes of circulation, and not on the machinery of production itself.

The Triumph of Processing

The centrality to an intensely urbanised capital of the efficient, profitable, ceaseless and standardised movement of material and information – the very target of *The Coming Insurrection's* ethics of interruption – has been noted for a long time. Fifty years ago, Lewis Mumford, writing in *The City in History* of the catastrophic propensities of the contemporary metropolis – what he elegantly called 'the aimless giantism of the whole' – pointed to the pivotal role of the growing possibilities of supply to the 'insensate agglomeration of populations' in exponentially expanding cities, and their relations to the 'tentacular bureaucracies' that controlled such flows of goods.

During the 19th century, as populations heaped further into a few great centres, they were forced to rely more fully on distant sources of supply: to widen the basis of supplies and to protect the 'life-line' that connects the source with the voracious mouth of the metropolis, became the function of army and navy. In so far as the metropolis, by fair means or foul, is able to control distant sources of food and raw materials, the growth of the capital can proceed indefinitely.⁷

The organisational and energetic resources required to reproduce the metropolis are formidable: 'like Alice's red queen, by great exertion and utmost speed the metropolis barely manages to remain in the same position.'⁸ The metropolis has the intensification and expansion of supply lines as its precondition, and logistics becomes its primary concern, its foremost product, and the basic determinant of its power:

The metropolis is in fact a processing centre, in which a vast variety of goods, material and spiritual, is mechanically sorted and reduced to a limited number of standardized articles, uniformly packaged, and distributed through controlled channels to their destination, bearing the approved metropolitan label. 'Processing' has now become the chief form of metropolitan control.⁹

Despite his systemic objections to the catastrophic ends of this amorphous machine for (capital) accumulation, Mumford also regards these control capabilities as potentially reconfigurable in a multi-centred and organic society. But, especially when it comes to the informational requirements attendant on such control-by-processing, manifest in the metastasis of a tentacular bureaucracy, he too is tempted by the possibilities of insurgent interruption – even recalling an anarchist slogan (*‘Incinerate the documents!’*) to stress the ease with which such a system, founded on the circulation of real or virtual ‘paper’, could be ground to a halt.

But it is also possible, and indeed necessary, to think of logistics not just as the site of interruption, but as the stake of enduring and articulated struggles. Here there remains much to digest and learn from in the ongoing research of labour theorist and historian Sergio Bologna, an editor in the 1970s of the journal *Primo Maggio*, which carried out seminal inquiries into containerisation and the struggles of port workers.¹⁰ Countering those ‘post-workerists’ who have equated post-Fordism with the rise of the cognitive and the immaterial (and basically with the ubiquity of a figure of work patently traced on that of the academic or ‘culture worker’), Bologna notes that the key networks that condition contemporary capitalism are neither affective nor simply digital, but involve instead the massive expansion and constant innovation in the very material domain of logistics – in particular of ‘supply chain management’, conceived of in terms of the speed, flexibility, control, capillary character and global coverage of the stocking, transport and circulation of services and commodities.¹¹

Bologna underscores the military origins of logistics, namely in the work of de Jomine, a Swiss military theoretician working first under Napoleon and then under the Russian Tsar Alexander I. The ‘original function of logistics’, writes Bologna,

was to organise the supplying of troops in movement through a hostile territory. Logistics is not sedentary, since it is the art of optimizing flows [...] So logistics must not only be able to know how to make food, medicines, weapons, materials, fuel and correspondence reach an army in movement, but it must also know where to stock them, in what quantities, where to distribute the storage sites, how to evacuate them when needed; it must know how to transport all of this stuff and in what quantity so that it is sufficient to satisfy the requirements but not so much as to weigh down the movement of troops, and it must know how to do this for land, sea and air forces.¹²

He goes on to analyse how the problems of logistics have been central to the ongoing transformations of contemporary capitalism, from the just-in-time organisation of production of ‘Toyotism’, to the world-transforming effects of containerisation (itself accelerated by its military-logistical use in the Vietnam War).¹³ The homogenisation registered at an existential level by *The Coming Insurrection* is here given a very prosaic but momentous form in the standardisation and modularisation that characterises a planetary logistics which, in order to maintain the smoothness and flexibility of flows, must abstract out any differences that would lead to excessive friction and inertia.

For my purposes, however, what is paramount is what this logistical view of post-Fordism tells us about the character of antagonism, and specifically of class struggle. Narcissistically mesmerised by hackers, interns and precarious academics, radical theorists of post-Fordism have ignored what Bologna calls ‘the multitude of globalisation’, that is all of those who work across

the supply chain, in the manual and intellectual labour that makes highly complex integrated transnational systems of warehousing, transport and control possible. In this ‘second geography’ of logistical spaces, we also encounter the greatest ‘criticality’ of the system – though not, as in the proclamations of *The Coming Insurrection*, in the isolated and ephemeral act of sabotage, but in a working class which retains the residual power of interrupting the productive cycle – a power that offshoring, outsourcing, and downsizing has in many respects stripped from the majority of ‘productive’ workers themselves.

Here it is possible to link the question of logistics quite closely to that of the management of labour and the neutralisation of class struggle, in a way that sheds some doubt on the ‘criticality’ identified by Bologna. The expulsion of a mass labour force from containerised ports, their physical separation from zones of urbanisation and connection to other labourers, as well as the deeply divisive labour regulations that divide an international maritime labour force are an important instance of this. As Tim Mitchell writes in his fine essay on energy and the spatial history of class struggle, ‘Carbon Democracy’:

Compared to carrying coal by rail, moving oil by sea eliminated the labour of coal-heavers and stokers, and thus the power of organized workers to withdraw their labour from a critical point in the energy system [...] [W]hereas the movement of coal tended to follow dendritic networks, with branches at each end but a single main channel, creating potential choke points at several junctures, oil flowed along networks that often had the properties of a grid, like an electrical grid, where there is more than one possible path and the flow of energy can switch to avoid blockages or overcome breakdowns.¹⁴

Refunctioning the Spaces of Capital

The electrical grid provides an apt transition to reflecting on the relationship between the logistics of capital and the spatial politics of anti-capitalism in a manner that does not merely involve the bare negation or mere sabotage of the former by the latter. The power grid (contrasted with the railway network) was in fact a system whose capabilities for coordinated decentralisation were emphasised by Mumford as a necessary model for a shift out of an aimlessly urbanising capitalism. Following Mumford, a number of Marxist theorists have of late reflected – in a mode that, to borrow a recent quip from David Harvey, we could call *pre-communist* rather than post-modern – on what aspects of contemporary capitalism could be refunctioned in the passage to a communist society. Obversely to *The Coming Insurrection*, they have asked how could a high-speed rail system or an electrical network be rendered not useless, but *useful* – in what would clearly need to be a thoroughly redefined conception of use, one not mediated and dominated by the abstract compulsions of value and exchange.

It is striking that many of these authors have put logistical questions at the forefront of these thought experiments, almost as though logistics were capitalism's *pharmakon*, the cause for its pathologies (from the damaging hypertrophy of long-distance transport of commodities to the aimless sprawl of contemporary conurbation) as well as the potential domain of anti-capitalist solutions. In this vein, Fredric Jameson has recently, and somewhat perversely, identified the distribution systems of Wal-Mart, the very emblem of capitalism's seemingly inexhaustible capacity for devastating mediocrity, as precisely one of those aspects of capitalism whose

dialectical refunctioning, or whose change of valence, could give a determinate character to our social utopias.¹⁵

The ambivalence of logistics, and particularly of the environmental consequences of the unprecedented logistical and energetic complexes that make contemporary megalopolises both the drivers and the possible sites for a response to catastrophic climate change (among other processes) have led Mike Davis, in his appropriately titled ‘Who Will Build the Ark?’, to demand that, recalling the great experiments in urbanism of the USSR in the 1920s, we begin to look for the potentialities for a non-capitalist and non-catastrophic future in cities themselves.¹⁶ In particular, Davis has advanced, to borrow from Mitchell, some of the parameters of a low-carbon democratic socialism. Arguing, contrary to the Malthusianism of much of the green movement that it is ‘the priority given to public affluence over private wealth’ that can set the standard for a conversion of engines of doom into resources of hope.

As Davis writes:

Most contemporary cities repress the potential environmental efficiencies inherent in human-settlement density. The ecological genius of the city remains a vast, largely hidden power. But there is no planetary shortage of ‘carrying capacity’ if we are willing to make democratic public space, rather than modular, private consumption, the engine of sustainable equality.¹⁷

Such an assertion of the necessity of a drastic transition, as against plural but ineffectual interruptions, takes logistic and energetic dimensions of anti-capitalist struggle more seriously than the convergence of anti-urbanist visions of space and epiphanic models of revolt that – for evident and in many respects sacrosanct historical and political reasons – have come to dominate much anti-capitalist thought.¹⁸ It also does so by recognising what, by analogy with Herbert Marcuse, we could call the *necessary alienation* involved in complex social systems, including post-capitalist ones. As David Harvey has noted, against the grain of fantasies of a tabula rasa, unmediated communism or anarchism:

The proper management of constituted environments (and in this I include their long-term socialistic or ecological transformation into something completely different) may therefore require transitional political institutions, hierarchies of power relations, and systems of governance that could well be anathema to both ecologists and socialists alike. This is so because, in a fundamental sense, there is nothing unnatural about New York city and sustaining such an ecosystem even in transition entails an inevitable compromise with the forms of social organization and social relations which produced it.¹⁹

The question of what use can be drawn from the dead labours which crowd the earth's crust in a world no longer dominated by value proves to be a much more radical question, and a much more determinate negation than that of how to render the metropolis, and thus in the end ourselves, useless.

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Footnotes

1 The Invisible Committee, *The Coming Insurrection*, Los Angeles: Semiotext(e), 2009, pp.111–12. These reflections prolong those initially spurred by the so-called Tarnac affair, which saw this anonymous argument for sabotage transformed into the flimsy basis for a prosecutorial campaign at once vicious and spurious. See my ‘The War Against Pre-Terrorism’, *Radical Philosophy*, issue 154, 2009, pp.2-7, <http://www.radicalphilosophy.com/commentary/the-war-against-pre-terrorism>.

2 *The Coming Insurrection*, pp.58-9.

3 Ibid., p.59.

4 Furio Jesi, *Lettura del ‘Bateau ivre’ di Rimbaud* (1972), Macerata: Quodlibet, 1996, p.22.

5 Ibid., pp.23–4.

6 Ibid., p.24.

7 Lewis Mumford, *The City in History*, New York: Harcourt, 1961, p.539.

8 Ibid., p.540.

9 Ibid., pp.541–2.

10 For an excellent introduction to the work of Bologna and *Primo Maggio* in English, which stresses the way in which it both prolonged and challenged operaismo through a historiographic lens, see Steve Wright, *Storming Heaven: Class Composition and Struggle in Italian Autonomist Marxism*, London: Pluto, 2002, chapter 8: ‘The Historiography of the Mass Worker’. The full collection of *Primo Maggio* is now available as a CD-ROM in *La rivista Primo Maggio* (1973-1989), Cesare Bermani (Ed.), Rome: DeriveApprodi, 2010.

11 For an incisive and informed treatment of the logistics revolution and the challenge it poses to workerist and autonomist perceptions of class struggle, see Brian Ashton, ‘The Factory Without Walls’, *Mute*, <http://www.metamute.org/en/Factory-Without-Walls>. Ashton underscores the link between any future resurgence of oppositional anti-capitalist organising and knowledge of capital’s composition and operation – the cognitive mapping of supply chains, value extraction and the levers of struggle.

12 Sergio Bologna, ‘L’undicesima tesi’, in *Ceti medi senza futuro? Scritti, appunti sul lavoro e altro*, Rome: DeriveApprodi, 2007, p.84.

13 See Marc Levinson, *The Box: How the Shipping Container Made the World Smaller and the World Economy Bigger*, Princeton: Princeton University Press, 2008, chapter 9.

14 Timothy Mitchell, ‘Carbon Democracy’, *Economy & Society* 38.3, 2009, p.407.

15 Fredric Jameson, 'Utopia as Replication', in *Valences of the Dialectic*, London: Verso, 2009, pp.420–434.

16 An interrogation of the logistical dimensions of transition, state building and class struggle in the USSR would need to take its cue from chapter four of Robert Linhart's arresting study of the conjunctural and contradictory character of Lenin's thought and politics post-1917, *Lénine, les paysans, Taylor*, re-edited by Seuil in 2010 – a book quite unique in its combination of a real appreciation of Lenin with a welcome rejection of the comforting apologies of Leninism. This chapter, entitled 'The railways: the emergence of the Soviet ideology of the labour-process', details how, in the context of the famine, the authoritarian Taylorist turn in the organisation of work was driven through in that sector which provided the vital hinge between production, services and administration, and whose critical disorganisation was exacerbated by the very autonomous workers' organisation that had previously made it into a hub of anti-Tsarist organising, and now appeared as a kind of economic blackmail all the more menacing in that it took place within the crisis of the civil war. The Bolsheviks, he notes, were 'almost instinctively attentive to everything that concerns communication, flow, circuits' (p.151). In this moment, the railways appeared as the nerve fibres and life blood of a 'state in movement', and militarised centralisation, planning and labour discipline as imperatives – as evidenced, among others, by Trotsky's 'order 1042', viewed by Linhart as the first key instance of state planning. After all, 'if there is an activity that must, by nature, function as a *single mechanism*, one that is perfectly regulated, standardised and unified throughout the country, it's the railway system' (p.162). The seemingly inevitable Taylorisation of the railways both forges and deforms the USSR, especially in furthering the split, thematised by Linhart, between the proletariat as political subject and as object of iron discipline. Among the more interesting sites of the necessary fixation on logistics (namely, on railways and electrification) are the films of Dziga Vertov, which promise a cognitive mapping that would join the Taylorist decomposition of labour, imaged as 'a regular, uninterrupted flow of communication', and its subjective mastery, in which the 'transparency of the productive process' (p.169) is provided to each worker in the guise of an all encompassing vision.

17 Mike Davis, 'Who Will Build the Ark?', *New Left Review* II/61 (2010), p.43.

18 For a transitional proposal or 'determinate negation of the existent' that stakes some of the same ground as Davis and Harvey, albeit from a different Marxian vantage, see Loren Goldner, 'Fictitious Capital and the Transition Out of Capitalism', <http://home.earthlink.net/~lrgoldner/program.html>. In his inventory of transitional negations and the refunctioning of 'total existing means of production and labour power', now grasped as 'use values', Goldner advocates the 'integration of industrial and agricultural production, and the breakup of megalopolitan concentration of population. This implies the abolition of suburbia and exurbia, and radical transformation of cities. The implications of this for energy consumption are profound'. In a logistical vein, he proposes the 'centralization of everything that must be centralized (e.g. use of world resources) and decentralization [of] everything that can be decentralized (e.g. control of labour process within the general framework)'.

19 David Harvey, *Justice, Nature and the Geography of Difference*, Oxford: Blackwell, 1996, p.186.

Eight days in May

For eight days in May 2004, the Port of Oakland was occupied and virtually shut down by truckers striking for better conditions. The same port had been closed down by antiwar protesters just three weeks before, so a contingent of us from Direct Action to Stop the War joined them as a community support group and reported their struggle on Indybay.org.

The strike had begun in Stockton and Long Beach as a one-day protest, but in Oakland it lasted from April 30 to May 7, 2004. Movement of cargo was reduced to 25 percent of normal, and on some days to only 10 percent.

Several hundred of the striking drivers occupied the gate area of the APL (American President Lines) terminal along Middle Harbor Road. The truckers moved in and made themselves to home--they occupied it. Most were immigrants, some from the Punjab, others from Haiti, and a good many from the various countries of Latin America. Nevertheless, these diverse ethnic groups had gotten together for this action.

Four of their number were selected to represent them in negotiations with the trucking companies and port officials. These four were called "interpreters," and their function was to negotiate, but they couldn't make or sign agreements that were binding on the rest of the group.

"It's chaos," an unhappy port executive complained to the Oakland Tribune, "They have no leader."

Actually, everybody was a leader. It was one of those extremely democratic situations that we read about, but rarely witness in reality. Our community group spoke with the strikers and were deeply impressed with their solidarity.

We also found that nearly all of them were against the war. At least one of them, probably several, had joined us in our second annual demonstration at these same docks on April 7th. APL was one of the terminals we'd shut down that day, but in our case, only for a shift. These folks did it for over a week.

Often the drivers would gather into relatively small discussion groups. "El dolor de ellos es el dolor de nosotros," I heard one speaker addressing a group of 15 or 20 persons. He was talking about the solidarity between the various ethnic groups that made up the strike, and the meaning of his words was: "Their pain is our pain."

Across the street were three or four police cars that had been stationed opposite the APL gate. Mostly the police kept their distance, and weren't wearing riot gear.

When a scabbing trucker attempted to drive through, there arose a chorus of shouts from the Latino drivers--"¡Culero!" and "¡Judas!"

The strike was initiated by the recent jump in fuel costs. However, the drivers told me that there was a lot more to the problem than that. It was largely economic, but also a matter of dignity; the drivers said they were sometimes treated disrespectfully, and often made to wait at the loading areas for unreasonable lengths of time.

These drivers own or lease their rigs, also called "18 wheelers." So they're called "owner-operators," or "independent truckers," and it means that they have to pay their own expenses which include insurance, DMV registration and maintenance. Costs of all of these items have doubled or even tripled during the last decade, but pay rates have not increased.

The situation was complicated by the fact that there were as many as 60 different trucking companies that these drivers worked for. While some of the trucking companies were exploitative, that wasn't true of all of them. Some company owners were in sympathy with the drivers and willing to accept their demands.

One striking driver, Francisco, said his company treated him well and paid him adequately. He was nevertheless out there in solidarity with the other truckers, and added that if conditions continued to get worse, he might find himself in the same predicament as the others.

Another trucker, Willyz, told me he had been driving a rig for 12 years now. "Back then we made a good living," he told me, "Today, I might as well be working at Burger King."

Willyz's gross income was quite large, but after expenses, he earned about \$7 or \$8 an hour. It struck me as incredible, and I might've found that hard to believe, had I not read similar figures in several other sources. According to a report in the Long Beach Press Telegram, some truckers were making \$60,000 a year -- but only taking home \$10,000.

At the same time, Willyz told me that his situation was about average. Some were going into debt, while others were still making money, but were nevertheless out there on strike in solidarity with the rest.

These people needed a union. But the port officials warned them that to form a union would be in violation of anti-trust laws. The irony is that although the Sherman Anti-Trust Act of 1890 was enacted in response to popular demand for a law to fight corporate monopolies such as Rockefeller's Standard Oil, the law was at first used as a weapon against labor unions. Eventually, the anti-trust act was amended to prevent it from being used against labor. However, it was now again being used against these drivers on the technicality that they were legally classified as "independent contractors." That classification, according to port officials, made the drivers subject to anti-trust laws.

Nobody denied that the truckers were in a predicament. The Port authorities expressed official sympathy and scheduled a meeting for the drivers and the companies, to be held at the Port office building in Jack London Square. That was Thursday evening, May 6th. I assumed the meeting was open to the public, so I signed the register, took a name badge, and walked in together with the truckers. Three or four other supporters from the community, also intending to report for Indybay, were coming later, but they never showed up, and I wondered why. Afterwards, I

learned they weren't allowed in. It was a closed session and I was just lucky to get past the gatekeepers.

According to that morning's Oakland Tribune (5/6/2004), the port officials had said the meeting "will bring together truckers, shipping company executives and truck company owners." So about a hundred drivers attended, expecting to meet face to face with the companies. However, it turned out that the port had set up two separate meetings, one for the trucking company owners on the 7th floor, and another for the drivers on the 2nd floor. I went to the drivers' meeting. The session began when an elderly gentleman introduced himself as Mr. H.G. Joseph, who worked under Mr. Jerry Bridges, the Port's maritime director.

A driver spoke up and expressed surprise that there were two separate meetings. "I thought we'd be meeting with the companies," he said.

Mr. Joseph replied that would be in violation of the anti-trust laws. "That would be in violation of the anti-trust laws," Mr. Joseph pointed out. "We can't put owner-operators in the same room with the trucking companies." It was another dubious reference to the anti-trust laws, but before anybody could voice objections, Mr. Joseph launched into the topic he was there to expound upon.

"You've made your point," he told the drivers. "We understand your problem. Believe me, we understand.

"Today there were three ships that didn't even come into the bay. Those ships went somewhere else." He paused. "To another port. That's 1,400 containers. 1,400 jobs -- lost. Those jobs are gone and won't come back." He paused again. "Another one or two ships are due tomorrow."

A driver spoke up, telling him that they couldn't live on what they were currently getting. "The rates were set 10 years ago," the driver said. "Insurance rates have increased. Maintenance rates have increased. Fuel rates have increased. We need a cost-of-living adjustment."

"The port or city council cannot change the rate," Mr. Joseph replied. "We can provide influence. We can talk to the companies."

"We need a single rate," a driver told him.

"A single rate is against the law," said Mr. Joseph. "It would violate the anti-trust laws."

"We need to know what the shipping companies pay the brokers," another driver told him. I assumed that by "brokers" he meant the trucking companies.

"Those are private companies," said Mr. Joseph. "It's not public information. We don't have the authority to demand that information. What we do have is influence. Port of Oakland has influence. We can make them understand. We can tell them that you need to make a living."

Pablo, a driver sitting next to me, shook his head skeptically. "Do you really think the port officials couldn't do something if they really wanted to?" he asked me. I told him I honestly didn't know, but I shared his suspicion.

The port's Executive Director Tay Yoshitani put in a brief appearance, and expressed more of the official empathy that we'd been hearing that day. "I know the problem," he said. "It has existed for many years. The rising fuel prices, that's only the straw that broke the camel's back," he said, and outlined some of the other problems facing the drivers. He assured them that the port was trying to help them.

"The worst thing you can do is to shut the port down," he said. "That's not in anybody's best interest. Please be patient. Jerry Bridges will be down to talk with you, he understands these issues better than I do."

Mr. Yoshitani handed the meeting back to Mr. Joseph, who said, "Jobs go away, ships go away. We are going to try to help as much as we can. We hear you. We really do."

"The fuel prices . . . ," A driver spoke up.

"We're going to use our influence to get the companies to come to the table, said Mr. Joseph. "To tell them they need to come to the table."

"If you can't answer the questions," said the driver, "We don't need to talk with you."

Another driver, one who'd been silent till then, said, "We cannot ask questions because we are asking the wrong source."

Then another driver reminded them of the interpreters, saying, "Four guys upstairs are negotiating, the four representatives. Everyone should wait for them to return."

Finally Jerry Bridges, the Port's maritime director, showed up, and a driver sitting a couple seats in front of me remarked to the others around him, "Esto es el mero mero." -- meaning this was the guy who could make decisions.

Mr. Bridges began: "I have been with the port since September 4, 2001. I came from the terminals, I'm one of those bad guys." He paused to hear a few chuckles. Then he said, "I respect you."

Mr. Bridges continued, "We've had ships bypass the port. The port cannot remain closed. We would like to see this strike stop," and explained that the companies told him they needed time to talk with their customers, to work things out. He also recommended meeting four times a year to talk about issues.

"We're all in this together," Jerry Bridges told the drivers.

He also told them that each one of them was running a "business," that they should see themselves as businessmen and as members of the middle class.

Did these drivers aspire to being middle class? I wondered. Maybe they did, but being unable to make a decent living, that irrelevant line about middle class status must've sounded manipulative, a slip in the performance of an otherwise consummate bullshit artist.

"I've spent 18 years around the piers, seen plenty of guys getting rich," a driver said to Mr. Bridges. "We don't trust the brokers, the dispatchers. We don't know how much they keep."

Another driver added, "It's more than just the money. It's the disrespectfulness. The two-hour waits. This has to be addressed because we're tired. We're running negative every week!"

"We were pushed to the wall."

"We woke up. If it goes to LA, the drivers there are going to wake up too."

Finally, at about 6:50 p.m., the four negotiators, "interpreters" as they had been designated by the drivers, entered to give a summary of their negotiations with the trucking companies. There had been very little progress, they reported.

"We have to negotiate the best deal we can," Jerry Bridges told the drivers, using the pronoun "we," as though he was really empathizing with the drivers, on their side. "The companies want to negotiate with you. They need time. Thirty days."

That's what he said, "thirty days." but in his next breath he called the negotiators back to try again, promising that this time they'd be back in 30 minutes with results. I wondered how he could suddenly offer a favorable outcome within half an hour, having just said it would take a month.

One of the drivers stood up and turned to the audience. "Don't go back to work!" he said, "Don't go back!"

"The companies want 30 days to work things out?" exclaimed another driver. "We gave them 10 years!"

The meeting dissolved into a break. Some people went out into the hall where they gathered into groups to discuss the situation.

The four negotiators soon returned, this time with a list of thirty trucking companies willing to comply with most of the drivers' requests. I was surprised at this sudden breakthrough, and so were the drivers. They asked if this was really true, if they could go back to work the next day, if the drivers who'd been fired would be reinstated, and many other questions. They were assured that it was for real. It looked like the strike was over.

The next day, Friday afternoon, I was surprised to find that the strike was still on. The drivers were angry, feeling that they had been tricked at the meeting of the previous evening.

What had happened was that when the drivers looked more closely at the list of employers that they'd been given, they found that the thirty firms on it employed a sum total of only about 200 drivers. There were about 3,000 drivers. So those 200 jobs were only a drop in the bucket. The trucking companies who had the great majority of the job positions were offering no substantial concessions.

The truckers showed me the list and went over it in detail, telling me about each company. Only 3 or 4 of the companies on the list employed 30 or more drivers; none employed more than 50. Some of the companies on the list had gone bankrupt years ago. Others were companies that nobody had ever heard of and appeared to be non-existent. "This is a joke!" a driver told me, "They're just playing games with us!"

Meanwhile, the Port of Oakland had obtained an injunction against the strikers that morning. Someone pointed to a bundle of papers lying out in the middle of the road. Nobody touched them. They were copies of a temporary restraining order from an Alameda County Superior Court judge.

Many truckers were leaving; they seemed to be ending their occupation of the port. Some said they were just going home for the weekend; others said they'd be back to continue the strike on Monday. Actually, nothing was very clear as to what would happen next.

The next morning I picked up the Oakland Tribune and read that port officials had gotten the injunction after the drivers had supposedly "reneged" on their promise. "They promised [Thursday] night that they would go back to work," a port spokesman was quoted as saying.

From what I had seen, the drivers had expressed a desire to return to work, but made no promises. The port authorities had negotiated in poor faith, but the newspaper didn't report that. The truckers knew they'd been tricked, but didn't see a way to win their battle at that time. The strike and the occupation were over.

DANIEL BORGSTRÖM

The above is a rewrite of an article I originally wrote in 2004

The following section is from:

*Getting the Goods: Ports, Labor,
and the Logistics Revolution* (2008)

By Edna Bonacich and Jake B. Wilson

Chapter 8, “Landside Workers”

Pages 208-224

of the AFL-CIO. They were forced out because they had been trying to take over the BLE for years. The BLE complained to the AFL-CIO, which invoked its anti-raiding policy and accused the UTU of raiding. The UTU backed out of the AFL-CIO in 2000, partly to avoid the fines they were being charged. (Note: The authors have not heard the UTU side of this story.)

Since then the BLE has affiliated with the Teamsters (the IBT), which has strengthened them. At the time of the interview with Tim Smith (June 2002), the IBT had 1.2 million members, while the BLE had 39,000. The UTU had over 100,000 members, making it the largest rail union.

There is a National Carriers Conference Committee (NCCC), which represents all of the Class 1 railroads and engages in pattern bargaining with the unions. According to Tim Smith, the UTU is carrier-friendly, willing to trade away jobs: "They have an unholy alliance with the carriers." For example, they made a deal under which they would control the workers who use belt pack (remote control) technology, even though these workers would fall under BLE jurisdiction. Said Smith: "Ideally the railroad unions would all get together and decide on what they want in the agreement. But the UTU acts like a rogue union, and cuts a backroom deal with the NCCC beforehand. Then the NCCC comes to the other unions and says, here is the Pattern Agreement. The other unions protest, leading to arbitration, and they generally lose. So it ends up that the NCCC won't negotiate with the rest of the unions. The belt-pack agreement that the UTU signed will cost about two to four thousand jobs."

Assessment

It seems fair to say that the logistics revolution, including deregulation, has had a negative impact on railroad workers, though not as bad as for some of the other logistics workers. Although the industry remains unionized, the unions have been weakened. On the whole, the work has not been made contingent or outsourced, nor has it been racialized. But jobs have been reduced, pay has declined, and work conditions have deteriorated.

PORT TRUCKERS

A Brief History of Trucking Unions

Long haul trucking arose, in part, in response to the power of railroad unions, though surely its higher level of flexibility would have caused it to thrive anyway. The two industries developed at different times and under

different political circumstances. Of course, the union that developed in this sector is the mighty International Brotherhood of Teamsters (the IBT or just the Teamsters). They are an interesting case because trucking does not seem like a sector that would lend itself easily to unionization. The industry consists of many small companies and individual contractors—hardly the organizing ideal of the large factory, where workers get to know each other and form a common, oppositional culture. Yet the Teamsters grew to be the biggest, most powerful union in the country for a period. How did this happen?

As indicated by their full name, which evokes the era of horse-drawn wagons, the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers, is an old union. It evolved from the Team Drivers' International Union, which was founded in 1880. In 1903 the AFL helped to overcome jurisdictional disputes among Teamster locals by promoting the development of a single international union (Garnel 1972, 34–37).

Daniel Toben was elected president of the international in 1907, taking over an organization with "a heritage of deep internal conflict, chronic secessions, and equally frequent reaffiliations" (Garnel 1972, 37). Nevertheless, he managed to remain president of the IBT until 1952, playing a critical role in developing national unity in the union. Teamsters locals suffered from collusion with the employer, extortion, and other forms of racketeering, partly because of the fiercely competitive nature of the industry. Sometimes they acted as the enforcing arm of an employer association, and sometimes they used physical force to "punish" competitors for breaking rate-setting agreements (Garnel 1972, 38).

Given the strategic position of trucking in the larger economy as a process that most goods must pass through and given that transportation costs are a small percentage of the total value of a commodity, businesses would rather bribe the drivers than risk having their flow of goods cut off. Local governments opted not to intervene or received payoffs, allowing for the development of racketeering in the industry (Garnel 1972, 38). Violence was also commonly used by union members. These features encouraged the development of strong Teamster Local autonomy and a weak International (Garnel 1972, 40).

By the early 1930s the Teamsters had a secure position in only a small number of cities in the West, especially San Francisco, Oakland, and Seattle. The freight locals there managed to achieve high wages and good working conditions and had a stable understanding with their employers, who respected their power. The union was militant in demanding concessions but ideologically conservative. For example, at their 1935 convention they barred Communists from membership. They rarely engaged in strikes; the leadership did not like to use them, and especially opposed sympathy strikes and general strikes—in part because they were so often called on to

support the strikes of others because of their pivotal position in the process of production and distribution. Unofficially, truck drivers often helped strikers by refusing to cross their picket lines (Garnel 1972, 61).

The next Teamster leader after Toben was David Beck, who started his career in the Pacific Northwest. He was an ardent supporter of the free enterprise system, and of management-labor cooperation, but he believed that the highly competitive and low-margin trucking industry needed to be stabilized by limiting competition. This could be achieved, in part, by equalizing wages, hours, and working conditions—or taking labor standards out of competition. He also tried to raise the barriers to entry for owner-operators into the business, since they tended to undercut other truckers. Meanwhile, he was fiercely anticommunist and a strong opponent of the CIO, putting him in direct conflict with Harry Bridges (Garnel 1972, 67–77).

By 1940, interstate motor carriage had developed, and the Teamsters were able to form multi-state bargaining units. James Hoffa played a critical role in centralizing the Teamsters' bargaining, leading to nationwide contracts. As often happens, the unity of the workers led to the organization of the employers, who formed the Trucking Employers Incorporated (TEI) in 1970 in order to be united in their bargaining with the union (Leib 1974, 31).

By 1971, the Teamsters had a membership of more than 2 million, making it the largest labor organization in the country. By this time, twelve thousand trucking companies, including almost all federally regulated motor freight lines, had Teamster contracts. The Teamsters are an industrial union, despite their history as members of the AFL. They organize all workers in an industry regardless of trade or skill, in sharp contrast with the railroad unions. The union was able to transform truck driving into a relatively high-paying occupation with decent benefits (Lieb 1974, 30).

The Teamsters faced political problems. In 1957 they were expelled from the AFL-CIO on allegations of corruption. As is well known, Hoffa became a target of the Kennedy administration, and he served an eight-year prison term for stealing from the union's pension system and for jury tampering (Lieb 1974, 30). Despite these problems, the union continued to grow. From the time it was expelled from the AFL-CIO in 1957 to 1969, the IBT grew by 36 percent, while the national growth rate of unions as a whole was 12 percent (Lieb 1974, 31).¹

¹Unfortunately, we were unable to find studies of racism in the IBT in the period before the logistics revolution, and we must also admit that we did not look very hard. It would be extremely surprising if racial problems did not exist.

The Effects of the Logistics Revolution on Truck Drivers

The trucking industry was deregulated with the Motor Carrier Act of 1980, leading to a reduction of ICC regulation of the industry. Restrictions on entry were lightened and discount rates were permitted. As a result, the number of trucking firms increased dramatically, more than doubling by 1987. The non-union TL (truck load) sector grew rapidly, while the unionized LTL (less than truck load) sector declined in numbers. The driver work force grew from 1.1 million in 1978 to 1.9 million in 1996, while union jobs and IBT membership shrank. Regulation had also supported national bargaining, as represented by National Master Freight Agreements (NMFA), but with deregulation, more trucking companies withdrew from these agreements (Belzer 2000; Talley 2002).

Both railroad workers and truck drivers lost bargaining power after deregulation, but the truckers lost power much earlier than the rail workers. By 1982, the NMFA contract froze wages for three years and set up new work rules to make union trucking companies more competitive with non-union firms. In 1985 the NMFA set up a two-tier wage system that discriminated against new hires. And in 1988 the contract set up Employee Stock Ownership Plans (ESOPs) that effectively resulted in wage cuts (Talley 2002). Summarizing the effects of the regulation and deregulation periods on numbers and wages, Talley (2002) found that truck drivers grew from an average of 919,000 during regulation to 3,911,000 under deregulation. Weekly real wages fell from \$579.21 to \$502.86, and hourly wages dropped from \$12.07 to \$10.66.

Port Drayage: The Shift from Union to Non-Union

Port drayage is a small subsector of the trucking industry, as we discussed in chapter 5. How was this sector affected by deregulation?² Before deregulation, port trucking was a unionized sector, under the Teamsters. In Southern California, IBT Local 692 was in charge of the port drivers. Wage increases could be passed on by the drayage companies by requesting price increases from the ICC or the California Public Utilities Commission. Before deregulation, union drivers made around \$12.50 per hour and received about \$10 an hour in fringe benefits.

Deregulation changed the dynamics of the industry completely. It gave power to the shippers, while the carriers lost power. When a carrier said it would institute a rate increase, the shipper would refuse and seek out a carrier at a lower price. New companies entered the California

²Deep thanks to Ruth Milkman for sharing her research on this period. Her work provided great insight into what deregulation did to port trucking.

market, ready to undercut established practice. Competition intensified dramatically.

Among the new entrants were so-called owner-operators. These were individuals, or micro employers, who owned a truck or two, and were available for employment outside of the union structure. We interviewed Ernesto Nevarez, an activist in the port trucker community, on three different occasions in early 2002.³ Here is how Nevarez described the transition:

The process started in the late 1970s, with white drivers who left the union and bought their own trucks. They were making good money. Some netted \$43,000, and some even \$60,000. It was an overnight free-for-all. They were the first generation. Then came a second generation. They weren't in the union like the first generation. They weren't Latinos either. They came in between 1980 and 1982. They were willing to work for 10 percent less than the others. They had no communal value system like the old unions guys had. The workforce grew by 20 to 30 percent. You could still make a decent living. Then in 1983 and '84 you have the Central American conflicts. In 1983, 5 to 10 percent of the work force was Central American.

The main incentive for getting into trucking was that you didn't need a green card or an I-9 form. You could make ten to twelve dollars an hour. It was a natural marriage. There was no law, no enforcement. The immigrants worked their asses off and brought down the standards. They didn't mind a thirty-six-hour tour of work. The expansion of landbridge at this time led to the exodus of the first and second generation, and the rise of the Central Americans. A *padrino* would bring you in. These were the *caciques*. [The term *caciques* is used to describe the worst employers in the harbor drayage business.]

Gradually this shifted to an immigrant occupation, as mostly white native-born drivers left the industry and Latino immigrants entered. The drayage companies shifted to employing more owner-operators (or independent contractors), displacing union drivers. This led to a proliferation of smaller firms, resulting in cutthroat competition. The basis of pay shifted from an hourly wage to pay by the load. A transition period occurred, when the companies double-breasted, meaning that their companies had union and non-union parts. But gradually the union was ejected from the market, with only minor exceptions (Milkman and Wong 2001).

According to Nevarez, by 1985 the IBT had lost the harbor. They called a strike on the West Coast, and it flopped. The Central Americans did not

³Manuel Barajas, then a graduate student at the University of California, Riverside, and currently a professor at California State University Sacramento, helped with these interviews.

want the union because of the green card issue. "The Teamsters thought they were still living in the 1970s, when people wouldn't cross a picket line," said Nevarez. "They blamed the Latinos." In 1984 the industry was half Latino and half white. The whites saw the Latinos as an enemy that was undercutting them at certain companies. Unlike the Latinos, white drivers knew they had some rights; they wouldn't work thirty-six hours straight. Many whites left port trucking after 1985, while the Latino presence doubled between 1984 and 1986. They expanded by selling trucks to their relatives. After 1985, the employers were able to lower the rates. "The employers thought they were doing the immigrants a favor by employing them," said Nevarez, even though the pay was low and port trucker families had to struggle to survive.

Independent Contractors

Port truckers are contingent workers. Instead of having steady employment, their work has been outsourced. They appear to be independent small businesspeople who arrange to do work for a drayage company as an independent contractor. They get paid a lump sum for the job and have to take care of all of the costs of the job themselves.

Monaco and Grobar (2004), who conducted a study of port truckers in Southern California, describe the job situation of the drivers. Despite the term "owner-operator," the port truckers do not operate as independents with their own authority. Rather, they contract with harbor drayage companies. The companies usually do not directly employ a staff of drivers but instead serve as brokers who contract with the drivers to move the containers. The company dispatches the drivers to a port terminal for dropoff or pickup, using chassis owned by the steamship lines. The drivers are paid a standard fee depending on the length of the haul.

This system appears to us to depend upon a kind of legal fiction. The drivers really work as employees of the drayage companies, and their pay per job is the equivalent of piece rate, reminiscent of the early days of industrialization. That they own (or lease) their tractors is the equivalent of having a worker provide some of his or her equipment. These features are common in the garment industry, where workers are paid by the piece and sometimes must bring their own scissors or specialty parts of the sewing machine. The legal arrangement is partly fictional because sometimes the truckers sign exclusive employment agreements with their trucking company "employer." The independent contractor status of the port truckers is of benefit not only to the drayage companies but also up the line to the steamship lines who employ those companies and eventually to the shippers, whose transportation costs are cut by the low pay and poor working conditions of this group of workers.

Bacon describes some of these benefits to the employers:

Every morning, harbor truckers bid for the right to pick up a container. . . . If the dispatcher gives them the load, they then wait for hours in front of a terminal to pick it up or drop it off. Dozens of rigs in huge lines, their motors idling, stretch for miles in front of the gates to the docks before they open every morning, in ports from coast to coast. By day end, most drivers have put in as many as 16-18 hours. Because they're owner-operators, these workers have no rights under much of U.S. labor law, including the right to overtime pay. They're not covered by wage and hour protection, since they supposedly work for themselves. They have Workers Compensation Insurance, to cover workplace injuries, only if they buy their own policy, an expense most can't afford.

Most important, the National Labor Relations Board says they're not workers at all, and therefore aren't covered by the laws that protect the right to form unions. In fact, the Federal government says that if drivers even try to agree with each other on a price to charge the shipping companies for carrying a container, they're in violation of the Sherman Anti-Trust Act, passed originally to restrain monopoly corporations. The fines and jail time they might incur by violating the Act would break any self-employed truck driver. ("Who Murdered Gilberto Soto?" 1/28/05, www.ilcaonline.org)

Let us look at these features more closely. The cost of waiting in long lines at the port terminals and the cost of congestion on the roads must be borne by the drivers themselves, since their employers incur no penalties for their wasted time. It is up to the driver to make up the lost money by extending his (or, in a tiny minority of cases, her) hours, so as to squeeze in another trip. This leads to a form of self-exploitation that is typical of sweatshop conditions (see Belzer 2000).

Meanwhile, as Bacon points out, even though the truckers are employees in everything but name, they receive no protection from the Fair Labor Standards Act, which governs wages and hours of work. For example, their hours of work can extend way beyond the mandated eight-hour day or the forty-hour week without their receiving overtime pay. Moreover, they receive no benefits whatsoever: no vacation pay, no sick leave, no pension, no health care coverage. These must all be covered by the drivers themselves.

That they are considered to violate the antitrust law if they form a union (because this would be seen as colluding to set prices) is especially ironic given that the steamship lines have been granted limited antitrust immunity to suggest rates through the conferences. Giant multi-billion dollar companies can combine to agree upon rates, while micro-enterprises are considered to be law violators. The effect of this misapplication of the law is to threaten

not only the drivers but also the union. If, for example, the IBT tries to organize the truckers, it can face massive fines for violating antitrust law. Since this has, indeed, happened, the legal fiction forces the union to seek devious means of organizing.

Conditions in Southern California Ports

Monaco and Grobar (2004) conducted a survey of 175 port truckers in 2004. This research is very revealing about the situation of the port truckers. Here are some of their findings: Most of the port truckers are engaged in three types of hauls: landbridge (that is, taking the container to a railhead), Inland Empire (driving the container to a warehouse or distribution center in the Inland Empire), and local delivery (which can be to the warehouse of a local company or to a facility, where the container's contents are transloaded to domestic containers and trailers). About 20 percent are engaged in long haul trucking. The Inland Empire trips are the most common.

Eighty-seven percent of the sample are "owner-operators" or independent contractors. This compares with 10 percent among truckers nationwide. They are paid by the trip, and they work long hours to maximize their income. The median hours per day is ten, and some worked as much as fourteen hours. The average number of trips per day is a little over three. The average length of their last trip was 4.6 hours, 2.6 of which was spent waiting in line.

The median amount they received per trip was \$65, and the median daily pay was \$200. But the drivers have to pay for the truck and its maintenance, insurance, and fuel. Taking these costs into account, the median driver earned about \$25,000 in 2003. This is lower than the figure for national owner-operators and for non-union drivers. Of course, it is much lower than the pay of union drivers. Needless to say, there is a distribution of annual earnings among the port truckers, from around \$10,000 to \$55,000. However, they have no retirement plan, and only 10 percent have health insurance.

The workforce is overwhelmingly Latino, at 92 percent, pointing to racialization. This does not mean they are mainly undocumented, however. In fact, 11.4 percent were U.S.-born, and 57 percent are U.S. citizens. Monaco and Grobar did not ask about immigration status, but we have heard anecdotally that the percentage of undocumented immigrants among the drivers is low. Even though the vast majority are Latino, Latino truckers still earn more than \$11,000 less per year than non-Latino drivers.

Some of the port truckers may prefer to be independent contractors. There is the promise that through hard work and putting in extra hours,

they might be able to make some money and move up and become a real independent business owner. Of course, this calculus often fails to take account of the expenses the drivers face as independent contractors. Another advantage of the status lies in the fact that one does not need a formal education or to speak English. One-third of the drivers in the survey had not completed a high school diploma. If they were employed directly by the drayage companies, they might face language and education barriers.

Still, we have attended port trucker meetings and followed the Internet chat room "Truckers Unite!"; we have noticed that many of the drivers are well aware that their status as independent contractors is a sham. They would much rather have a decent job as employees, with steady pay, benefits, and a union contract. True, these workers are most likely to be the most experienced and politically sophisticated. Undoubtedly there are some who carry the hope that "owning their own business" is the route to success in the United States.

Monaco and Grobar (2004) discuss the benefits to the drayage companies of the employment status of the port truckers. They do not have to invest capital in trucks. They are protected from variations in the cost of insurance and fuel, which must be borne by the drivers. They avoid having to pay benefits and do not face unionization.

Dysfunctions of the System

It is clear that the drayage companies, the steamship lines, and the shippers who employ them all benefit from having a low-wage, non-union, exploited sector in the port truckers. The employing companies at every level are able to externalize various costs onto the drivers, who must pick up the slack in a "flexible" system. Meanwhile, there is little incentive to improve things, since the system makes their labor so cheap.

Nevertheless, there is widespread recognition in the industry that this is not a healthy system. We found considerable sympathy for the drivers among many of the people we interviewed. Indeed, we learned of the book *Sweatshops on Wheels*, by Michael Belzer, from Patty Senecal, owner of a drayage company.

The dysfunction is evident not only in the low wages for drivers but also in other side costs. The drivers tend to buy old trucks, because that is what they can afford, and that increases the likelihood that the vehicles will have pollution problems and will be more accident-prone. Adding to this is an incentive to put off maintenance because, again, the drivers usually can not afford it.

The long wait in line at the terminals, where diesel is being belched into the air, contributes to the pollution problem. True, this issue has received

legislative attention—pushed by the Teamsters.⁴ Assembly Bill 2650 was passed, over considerable opposition, calling for the fining of terminal operators if trucks had to idle outside their gates for longer than thirty minutes. Any offender could get out of the fine if it set up an appointment system or extended their gate hours, and some opted for these solutions. Moreover, there was little funding available to enforce the law, so Monaco and Grobar (2004) conclude that it had little ultimate effect. They found that on average, 48 percent of trip time is spent waiting to get in and out of the port.

Another law that was passed on Teamster initiative was a chassis roadability bill. The problem here is that the chassis are owned by the steamship lines, but if there was something wrong with a chassis, the Highway Patrol would fine the driver. The law pushed responsibility for chassis safety back onto the chassis owners, which presumably served as an incentive for keeping them in better shape.

All of these dysfunctions of the system, despite the efforts to fix some of them, have led to militance among the drivers, to organizing efforts by unions, and to occasional driver shortages. As we have said, industry participants bemoan the fate of the truckers and wish the system were different, but they feel that they cannot be the first ones to change it. However, they all seem to agree that unionization by the IBT, or worse still by the ILWU, would be a grave mistake. And government intervention is also to be avoided, if possible. They see the problem, but they do not want to find a solution that would cost them anything.

One effort to improve the situation of the port truckers was to extend gate hours through the OffPeak system, administered by PierPASS. The main purpose of this innovation was, of course, not to alleviate the situation of the truckers but to deal with the rising congestion as the influx of imports continues to rise. However, there was a side hope that the port truckers would be beneficiaries of the change because lines would shorten and they would be able to fit in more hauls per day, thereby raising their incomes.

Much to the surprise of the planners, port truckers were not thrilled with the new arrangement. For one thing, they are not paid extra for working at night. And the option of working at night means working more hours per day and spending less time with one's family. From the drivers' point of view, this is not a good deal. In a *Los Angeles Times* article entitled

⁴Local Teamster port trucker organizer Gary Smith is responsible for devising some of these legislative plans, although he has not received public recognition for doing so. He worked with the California Trucking Association (CTA) to get the bills passed so that they did not face likely failure if they were labeled as Teamster legislation. He also worked with environmentalists and a sympathetic state legislator (Lowenthal).

"The Ports' Short-Haul Truckers Endure Long Hours, High Costs," Ronald D. White described the situation of drivers after PierPASS was instituted. On average, a port trucker could expect to earn about \$50 for hauling a full container and \$35 for an empty, but that money also covers the time for pickup and delivery. A driver could expect to collect \$340 in gross income if all went smoothly, but it often does not (11/21/05, Cr).

White interviewed some of the truckers and found they had numerous grievances. One driver, who was 51, experienced problems with his night vision. He found it more difficult to get work during the day, so sometimes works 12 to 16 hours just to make \$300—enough to make a profit. Another trucker drives a truck with 500,000 miles on it, 200,000 of which were added by him. He spends at least \$1,200 a month on fuel for a vehicle that gets five to seven miles per gallon. He has to pay \$7,000 in insurance a year, which does not include maintenance. It is conditions like these that are leading more port truckers to leave the industry, causing concerns about a driver shortage. The most recent expense has been the 2006 spike in gas prices, which has not helped matters.

Union Organizing Efforts

We can divide the port truckers' efforts to organize into three phases: independent organizing by the drivers themselves, the organizing effort led by the Communications Workers of America (CWA), and the Teamsters' port trucking campaign.

Independent Organizing. As mentioned above, we spent a number of hours interviewing Ernesto Nevarez, a dedicated activist in the port trucker cause. Nevarez knows a lot about the history of the drivers. We have only been able to provide a brief sketch here of everything that he talked about.

According to Nevarez, who is a Chicano, about 90 percent of the port truckers are Central Americans and 10 percent are Mexicans. "The Central Americans are assimilating, but not into mainstream culture. Rather, they are assimilating into Chicano culture. They are becoming Chicano activists." Nevarez estimated that no more than 15 percent of the drivers are undocumented, since they face licensing requirements and checks by the Department of Motor Vehicles. He speculated that about 15 to 20 percent had special amnesty waivers coming out of U.S. programs for Central American refugees. The majority, around 70 percent, have green cards or are citizens. Nevarez claimed that many of the drivers were recruited from Central America; the trucking companies sent recruiters in the early 1980s, telling the recruits they did not need immigration papers because they were independent contractors.

The Central Americans keep in touch with the homeland through ham radios. They also listen to El Cucuy de la Mañana, a radio disk jockey from Honduras. "He is listened to by all of the Central Americans, and he reaches the harbors all over the country," said Nevarez. "The community finds out about every strike and action right away."

Nevarez said that the Central Americans bring their culture of civil unrest to the port trucker struggles. He described them as being similar to Palestinians, steeped in generations of conflict. They include a variety of backgrounds, including former professors and ex-military people. The Central Americans are transnational. They use a system of cooperative financing called Cudena, a type of rotating credit association. If a truck breaks down, it costs nine thousand dollars to fix, so the group raises the money to help the driver out. This practice helps to create solidarity.

Various organizations were developed by the drivers, including TUTA (Troqueros Unidos de Transporte Asociados), WRTU (Waterfront Rail Truckers Union), and LATA (Latin American Truckers Association). These groups would strike. TUTA, for example, was formed by Central Americans in 1984: "It was a kind of self-help, benevolent association that helped families with funerals and things like that. They had a great leader—Stanley Paniago. TUTA charged members ten dollars a week, so it had resources. TUTA claimed it was an association, not a union, to avoid the owner-operator problem."

The WRTU emerged in 1986. Nevarez said it was considered a "white boy's union" because it was run by Jerry Bakke—a good guy, in Nevarez's view. TUTA had isolated itself by focusing on only one company, H&M. According to Nevarez, lots of people joined the WRTU. Milkman and Wong (2001) report that in the summer of 1988, the WRTU held a two-and-a-half-week strike over the problem of long waiting periods. Nevarez described another strike in 1991:

There was a strike by the WRTU. It involved Lorenzo, Carrasco, and La Negra Tomasa. It was at ATCO Associated Transport. The owner's checks were bouncing, and the guys didn't get paid for two weeks. Then the company closed. Ten to twelve guys pulled out loads, for J. J. Newbury's and McCree's, and parked them. The police came. We said it was a labor dispute and we wanted our money. These guys were all radicals. They were "La Mara"—the gang, the main guys. Everyone got a container and parked it. About forty to fifty guys from the WRTU met and guarded the containers. One of them was Rios, who was a Brown Beret [a Chicano activist group]. This all happened in Gardena. After eight days, they got calls from the owners of the containers, Newbury's and McCree's. The guys figured they were owed a hundred thousand dollars. The companies came up with seventy-five thousand dollars, and the containers were released to another trucking company.

Nevarez described an important source of worker solidarity:

The Latinos were united here [in the United States], despite incredible divisions in their homelands. They united around labor struggles. In 1991 there was a strike at H&M. The union depended on the workers' bonds to their home towns. They kept in contact via two-way ham radios. The guys would get reputations, like that they had killed five people. There was a fear that your family back home would get a visit if you crossed "la union." You had to play by the rules of the organization in this home away from home. Sometimes you had Somocistas and Sandinistas together, but they had to put that aside. They all felt attacked by *la Migra*, the employer, and those using the employer.

The 1993 strike, which lasted eleven days and was sparked by a rise in diesel fuel prices, upset world trade, according to Nevarez. The strike was against a trucking company named CalCo: "It was a strike without leaders. They put a dozen people in jail. At the time, Bob Curry, owner of Cal Cartage [a major drayage company] owned about 85 percent of the trucking companies. CalCo was owned by a Korean, Chong Suh. The protest here affected people in Korea right away."

According to Milkman and Wong (2001), LATA emerged as a result of this strike. Nevarez said that LATA was connected with TDU (Teamsters for a Democratic Union), the reform movement in the IBT that led to the election of Ron Carey as Teamster president; the group is further to the left, politically speaking, than the current IBT leadership. While TDU had some strength in the Pacific Northwest, it was weak in Southern California, putting LATA at odds with the more traditional Teamster leadership.

The CWA Campaign. The CWA got interested in port trucker organizing in 1994, according to Nevarez, during a period when LATA was strong. In 1995 the CWA began pumping money into the campaign. In Nevarez's view, the CWA effort was orchestrated by the ILWU, and its goal was to keep the IBT out. But Milkman and Wong (2001, 2006) have a different view. According to them, in the mid-1990s, the truckers made a bid to affiliate with CWA Local 9400 (telephone workers). The union recruited during 1995 and 1996. They began with fifteen workers, but the group grew to contain thousands. They started with a series of demonstrations. In October 1995 they organized a giant caravan of trucks from the port to downtown, receiving a supportive resolution from the city council. In February 1996 they did a similar convoy in Long Beach. The CWA made several political efforts to challenge the legal definition of independent contractor, but were not able to succeed.

Then, under CWA leadership, the drivers went on strike in May 1996. They pursued a two-pronged strategy: they struck for union recognition against a dozen or so trucking companies with traditional employment, and they created a company called TMA (Transport Maritime Association), owned by Donald Allen, which would hire the truckers as regular employees. This would allow them to organize a union legally, and TMA would recognize them as union drivers and members of CWA Local 9400. The TMA would lease to conventional trucking companies. They would create a new dispatch system. Over four thousand truckers signed up.

The "strike" consisted of declining to work with the standard companies and signing up with Allen. This was by far the most effective of the strikes of the 1980s and 1990s. It received extensive support, both from the community and from other unions. The steamship lines responded by rerouting some ships. They won court injunctions, barring mass picketing at the terminal gates. The trucking firms refused to employ TMA drivers. They began recruiting replacement workers. Allen threatened to operate as a rival company instead of a labor-leasing company, but this must have fizzled.

The campaign was dogged by unforeseen problems. One of the top CWA leaders suddenly had a heart attack. Allen lacked the capital to carry out his promises. The trucking companies refused to do business with him, and the TMA collapsed. Nevarez's viewpoint is that the truckers want to use the unions for their own purposes and do not want to be the objects of their organizing drives. In other words, they have a sense of their own importance, autonomy, and power—they are hardly the passive recipients of the organizing efforts of others.

The Teamster Campaign. The IBT has been running a port trucker organizing campaign for the last few years.⁵ The campaign is being run by the Port Division of the union (see www.teamster.org/divisions/_port/port.asp). We participated marginally and briefly in this effort when Gary Smith was the local Teamster organizer. We shall not describe the campaign in depth here. Essentially the idea is to organize port truckers throughout the country and bring them into the IBT.

The Teamsters have developed a Port Driver Bill of Rights, which is available on their website. Here is a brief version of the points it makes:

⁵Hal Leyshon (2001) has written an excellent study of port trucker organizing efforts in the ports of Seattle/Tacoma, where the Teamsters of a TDU-led local (Local 174) ran an impressive organizing drive. Leyshon thoroughly analyzed the situation of the port truckers and their efforts to organize—unsuccessfully, it turned out.

Port Drivers have certain fundamental rights, including the right to:

- Earn a fair wage to support themselves and their families;
- Health benefits for themselves and their families;
- Pension benefits;
- Compensation for all the time it takes to do the assigned work, including waiting time, maintenance and repair time, and time taken moving containers within the port;
- Safe and road-ready equipment at time of dispatch;
- Properly labeled containers, of a safe weight for transport over public streets and highways . . . ;
- Information on the contents of the containers they haul . . . ;
- Ironclad whistleblower protection for reporting the use of the same container to transport food products after toxic or hazardous materials without the container first being decontaminated;
- The right to refrain from cleaning out containers that have transported toxic substances or hazardous materials. . . . It is work for trained professionals;
- An environment free from all forms of harassment, discrimination, retaliation, and oppression; and
- Freedom to organize and form a union without the interference of employers.

This list demonstrates many of the types of unfair treatment that the port truckers face. Because of their independent contractor status, the union has felt that it has to find a way around a direct organizing drive. On the IBT website it states: "The Port Division is currently working with anti-trust lawyers to develop a legal strategy to organize the more than 40,000 owner-drivers who haul containers and bulk cargo in our nation's ports." One approach has been to try to get legislation passed that will allow independent contractors to join or form unions. In California, Senate Bill 848, introduced on behalf of the Teamsters by State Senator Joseph Dunn, aimed at extending antitrust immunity to owner-operators so that they can join unions, but Governor Arnold Schwarzenegger vetoed the bill in September 2005.

As we have already noted, the union has managed to get some pro-port-trucker legislation passed, including a law to fine terminal operators for long waits by truckers outside their gates and chassis roadability legislation to make the owners of the chassis—the steamship lines—take responsibility for fines arising from defective chassis. Meanwhile, the IBT has formed an alliance with the ILWU and the ILA to cooperate in organizing the port truckers. An important aspect of this alliance has been the effort to settle jurisdictional problems among the unions. The ILWU has

drivers among its members, but they tend to have work that is limited to the docks. The IBT, on the other hand, claims control over the drives that come to and leave the terminal through its gates.

We have heard criticisms of the IBT efforts, including the fact that very few organizers have been assigned to it. The result is that there has been a lot of negotiating at the top (between the union and the companies) without much involvement by the drivers themselves. This has led to some anger by the drivers toward the union and even to some efforts to organize outside of it.

At the time of writing (early 2007), the IBT had resigned from the AFL-CIO and joined the new Change to Win union federation. The port truckers campaign got a boost from this new alliance, and Change to Win leaders were working with the IBT to make a success of it. We shall see what happens.

Assessment

In terms of our predictions about the effects of the logistics revolution on logistics workers, we find that the port truckers have suffered the full brunt of the impact. They have been made into contingent workers (by being defined as independent contractors), the job has been deunionized, the immigrant workers have been racialized as immigrant Latinos, and wages and working conditions have fallen.

Let us dwell for a moment on the racialization aspect. As we have stated, there is some sympathy for the port truckers as an obviously poorly treated group. And yet, we suspect, that they are Latinos as well as immigrants leads to a certain lack of ardor in fixing the situation. Undoubtedly this gets racialized—"they are better off than they were in their country of origin," "they aren't citizens so they don't deserve equal treatment," "they brought this on themselves," and so on. We suspect that if they were white, calls for reform would be much louder and more sustained. Instead, because they are "only" Latino immigrants, their poor condition is tolerated, especially since so much money is saved this way.

There is an interesting dynamic with the ILWU regarding the racialization of the port truckers. On the one hand, some employers are quick to point out that ILWU members make so much more than the drivers. The implicit point is that the longshore workers make "too much" money and that if they made less, the drivers would be able to make more. We imagine the ideal, from this point of view, would be to ratchet down ILWU wages considerably, raise port trucker wages a little, and end up with lower labor costs in general. In other words, they would want to average downwards.

On the other hand, among workers themselves, there is some bad blood between the ILWU and the drivers. Port truckers complain that ILWU

clerks treat them discourteously or take breaks, leaving drivers to wait in long lines. Drivers feel that they face some racism from ILWU members. And the truth is that some ILWU members do blame the immigrants for the downfall of the union in the ports (IBT). They feel that the immigrants came in and undercut the union, driving out the (white) union drivers. So, the sentiment goes, the Latinos have no one to blame but themselves, and they can't expect solidarity from good union members now that they want to organize. These may not be the dominant feelings, but we heard these kinds of attitudes during our research.

In conclusion, both railroad workers and port truckers have lost ground as a result of the logistics revolution. Its impact on them has been different. The truckers have been made into contingent workers, whereas the ranks of railroad workers have been slashed by the thousands. Unions have lost strength in both industries, but the decline is much more severe for the truckers. Racialization is more prominent among the truckers. But both groups have suffered from declining wages and working conditions, albeit more severely for the truck drivers. Labor, as represented by these two groups of workers, has been hurt by the logistics revolution.

CHAPTER 9

Warehouse and Distribution Center Workers

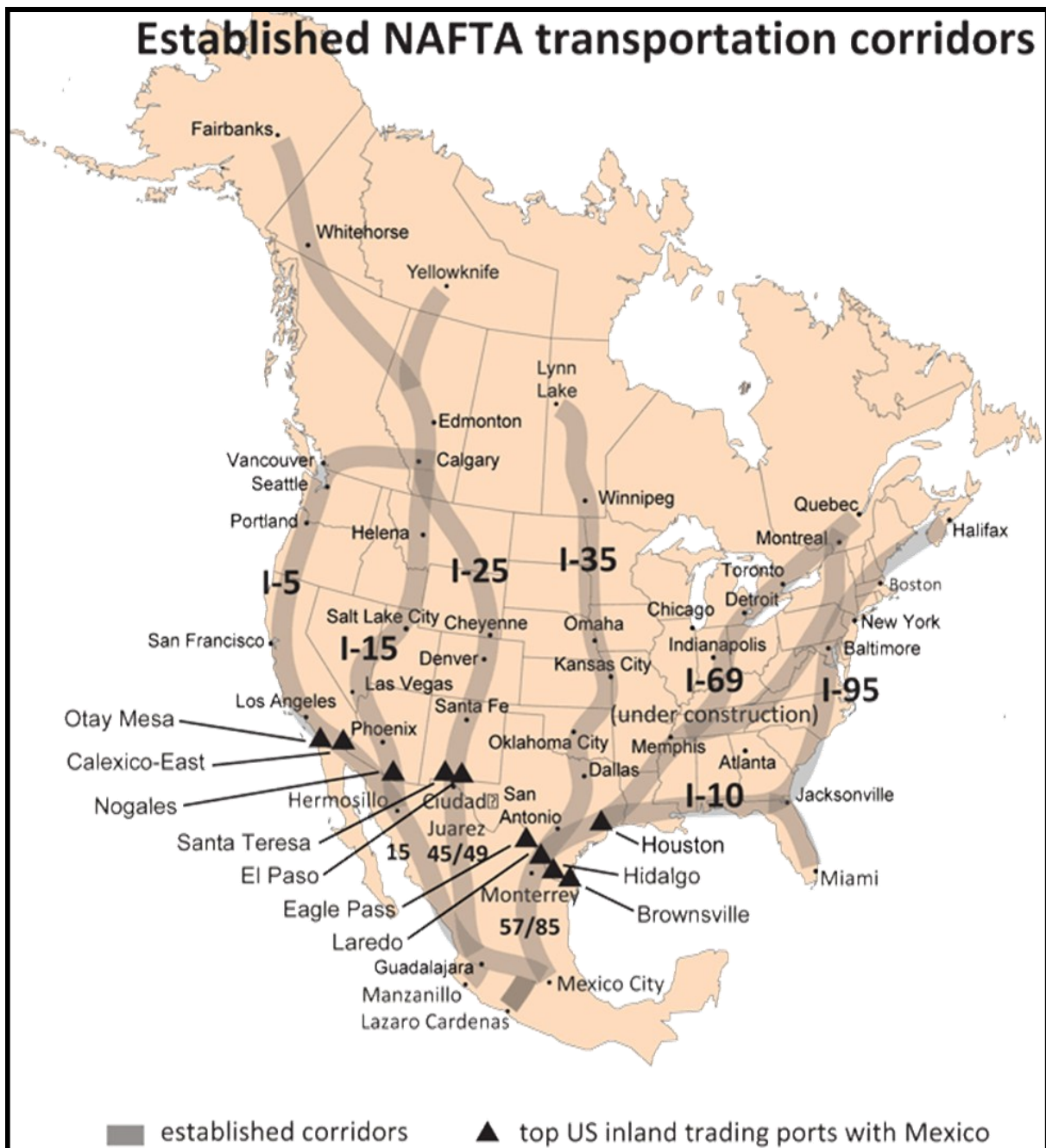
Our final group of logistics workers is employed in warehouses and distribution centers. What has happened to them as a result of the logistics revolution?

A BRIEF HISTORY OF WAREHOUSE UNIONS

One set of warehouse workers was connected with the waterfront. These workers handled the cargo that was brought on and off the ships. Out of the 1934 maritime strike and the formation of the ILWU came efforts to organize. In August 1934 the Weighers, Warehousemen's, and Cereal Workers Union Local 38-44 in San Francisco became active as part of the ILA and started an organizing drive, which was supported by the longshoremen. It later became ILWU Local 6 (for more information on this history, see www.ilwu.org).

In 1935 the union began its "march inland" to organize warehouse workers, especially around Sacramento (Schwartz 1978). They later became ILWU Local 17. By 1943, about 85 percent of the warehouse workers in Sacramento belonged to the new union. The ILWU (affiliated with the CIO) and the IBT (an AFL affiliate) fought over warehouse union jurisdiction. Teamster chief Dave Beck threatened to boycott the coast to pressure the ILWU to give up its inland warehouse members, but the effort failed.

The division between the unions was healed when James Hoffa succeeded Beck as IBT president, and in 1958 the two unions began to cooperate in contract negotiations in Northern California for their respective



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