

Steelworkers' Victory at Ravenswood:

Picket Line Around the World

The second in a two-part series details the sophisticated international campaign and grass-roots activism that gave labor one of its biggest wins in the '90s.

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In the first few months following the October 31, 1990, lockout of 1,700 members of the United Steelworkers of America by the Ravenswood Aluminum Company (RAC), the leaders and members of Local 5668 worked hard organizing themselves at the local level.

Members were divided into round-the-clock picket teams and participated in a myriad of activities from monitoring company radio transmissions and patrolling the river behind the plant complex to collecting surplus food to distribute to those families most in need. They also had begun to follow trucks leaving the plant to determine where metal was being shipped so that they could begin a campaign to convince RAC's customers to stop purchasing scab aluminum.

The local had started an assistance center to ensure that bills were being paid and families taken care of. Wives of the locked out workers had formed the Women's Support Group which gave parties for the children, organized community support rallies, and snarled traffic in front of the plant. Large rallies of labor and community supporters had been organized in Ravenswood and Charleston, West Virginia.

Perhaps most important of all, three months into the lockout, only 17 of the 1,700 workers had crossed the picket line and returned to work.

Local 5668 and its members had done everything that could have been expected of them and more. In a different economic and political climate, these activities might have been enough to ensure victory.

Yet, as the labor movement had learned so painfully in struggles involving Phelps-Dodge, PATCO, Hormel, and International Paper, local solidarity and militancy - while absolutely necessary - are not sufficient for victory in a more hostile and complex labor climate.

By the early spring of 1991, the Steel-workers' international union had joined the Ravenswood campaign, moving it to a whole different level of escalating pressure tactics targeting RAC's owners, customers, and investors. As Steelworkers leader George Becker would tell the union strategy team over and over again, the goal was to keep the company uncertain about what the union was going to do next. He wanted management to worry "first thing when they got up in the morning . . . and last thing before they went to bed ... Monday, Tuesday, Wednesday, Thursday, Friday ..."

Following Becker's lead, the campaign escalated that spring on every front. The union filed charges against RAC with the Occupational Safety and Health Administration (OSHA) and the National Labor Relations Board (NLRB), and Ravenswood workers traveled across the country to tell their stories.

Using information gathered from tracking trucks leaving the Ravenswood plant, they began putting pressure on end-users of Ravenswood can stock, including Coca Cola, Budweiser, and Stroh's. The union also contacted politicians at all levels of government, asking them to take direct action to investigate RAC's labor law and health and safety violations and bring an end to the lockout.

While the campaign escalated across the country, the union continued to collect and analyze information on Marc Rich, one of the nation's wealthiest and most notorious metal traders, and the person who ultimately controlled Ravenswood Aluminum Corporation. Piece by piece, the union was beginning to put together the vast labyrinth that represented Rich's empire in more than twenty countries in Europe, Asia, North and South America, and Africa.

As Jim Hougan, an investigative journalist, explained in a 1994 article in *Playboy* magazine, Rich was "a titan in the business of wholesaling the planet's natural resources to the highest bidders. He owns or controls oil wells in Russia, mines in Peru, and electrical supplies in England. There are refineries in Romania, office buildings in Spain, and smelters in Australia, Iran, Sardinia, and West Virginia. He has forty offices and 1,300 employees throughout the world and is simultaneously the uncontested emperor of aluminum, a prince of sugar, a shogun of soy, a mover and shaker of the world's markets in nickel, lead, zinc, chrome, magnesium, copper, and coal."

At the same time, Rich was America's most wanted white collar criminal, hiding out in Zug, Switzerland, having fled the U.S. in 1983 under a 51-count indictment for mail fraud, tax evasion, and purchasing oil from Iran in violation of the trade embargo.

As a former Citicorp oil expert told the *Institutional Investor*, Rich and his partners "made a business out of doing business other people would not do," whether plundering state-owned businesses, violating the Iranian oil embargo and South African trade sanctions, or making profitable metals' trades with Chile's Augusto Pinochet and Romania's Nicolae Ceausescu.

The union understood that, despite his wealth and power, Rich was vulnerable because of his desire to return to the United States. Though born in Belgium and traveling under a Spanish passport, for Rich, America was home. When his father died in New York in September 1985, he was unable to attend the funeral, knowing that federal agents would arrest him as soon as he entered the country. His elderly mother still lived in the U.S. and she was too ill to travel. Rich's wife, Denise, also had returned to New York with their youngest daughter and filed for divorce.

As the spring progressed, the union became more and more convinced that the campaign had to move to Europe to pressure Marc Rich. In June the USWA sent Joe Uehlein, a staffer in the AFL-CIO's Industrial Union Department (IUD) and Jim Hougan, the investigative specialist, to meet with trade

union leaders in Switzerland. Uehlein and Hougan had been recruited by Becker earlier to provide research and strategic support for the Ravenswood campaign.

The Swiss union leaders took Hougan and Uehlein to Zug and introduced them to Josef Lang, a leader in the Green-Socialist Alternative Party and a member of the Zug city council. An anthropology professor at the University of Zurich fluent in four languages, Lang was active in the teachers' union at the university. He first entered local politics in Zug in 1982, when the socialist workers/Trotskyist group to which he belonged merged with independent, feminist, and environmental parties to form the Green-Socialist Alternative Party.

To the delight of Hougan and Uehlein, Lang "had been a Marc Rich watcher for years" and took them to his extensive basement library filled with information on Rich and other secret Swiss corporations that the Green-Socialist Alternative Party had been monitoring for more than a decade.

Lang also confirmed what they had long suspected: Rich, with his billions, was impervious to financial pressure. Any profits he made or lost through his connection with Ravenswood Aluminum represented an insignificant piece of his global empire.

Nevertheless, Rich was not without pressure points. Obsessed with secrecy and privacy, he would do everything he could to avoid attention from the media. Publicity was a threat to his ability to negotiate secret trade deals that danced on the edge of legality and corporate ethics. And most of all, publicity threatened his efforts to work out a deal with the U.S. government so that he could return to the United States without going to jail.

"He was too big to win against only because of losses he could have, because of the problems in Ravenswood ... financial problems," explained Lang in his somewhat halting English. "But I think that his Achilles' heel was his image in the United States. I knew that the best manner to [pressure him] was to put him ... in the attention of the mass media. From the first moment, I knew that it was the only tactic to win against Marc Rich."

Uehlein and Hougan found Zug a city of contrasts. Together in one city were Joe Lang and his socialist allies and the world's wealthiest metals traders. The quaint wood and brick buildings with red geraniums in every window box that had once dominated the city now were dwarfed by the shiny new office buildings where Rich, Phibro (formerly Philipp Brothers), and 3M were headquartered. Rich's building, a six-story cube of blue reflecting glass, stood out from the rest.

As described by a reporter from *Bilanz* magazine, only at night would a passerby have any sense of what went on within:

The Rich headquarters in Zug, right next to the train station, is a creature of the night. The glass walls of the cube reflect the surroundings, making the building invisible during the day, when it takes on the appearance of the neighboring buildings. Not until the other businesses in Zug close, the attorneys and trustees put their briefs back in the safe, and the lights go on at Marc Rich, does the building become transparent. Until late

in the evening, one can see men behind the glass walls sitting at computers and telephones, indicating in their way to passersby that their business extends beyond the borders of the small canton of Zug.

Partly out of curiosity, and partly to start the pressure, Hougan and Uehlein went to Rich's headquarters and asked to see Rich. Inside, the lobby was lavishly decorated, with a burgundy marble floor and thick salmon-colored carpeting. Artwork lined the walls and soft jazz and popular music were piped through the public spaces. At the center sat a large semicircular table with four or five receptionists and secretaries.

Uehlein and Hougan spent forty minutes trying to convince a secretary to let them see Rich, to no avail. But they did not leave empty-handed. While the secretary was talking to Rich, another secretary had answered the phone. Uehlein described what transpired:

Another secretary picks up [the phone] and she's repeating everything this guy's telling her-name, address, phone number. And it's a reporter from American Lawyer magazine....

I went out and called him once we were snubbed by Rich.... And he was trying to find out why Robert Thomajon, a named partner in a prestigious New York firm, would leave the firm and go to Zug, Switzerland. He wants to interview Thomajon. And we didn't know Thomajon was in Zug, Switzerland. We didn't know Robert Thomajon had become atop aide to Marc Rich. We knew from the loan agreement that the firm, Milgram, Thomajon, and Lee, did that deal.

That's when it clicked. And we thought, aha, Robert Thomajon is here in Zug working directly for Marc Rich. His firm handled the Ravenswood buyout.

Uehlein and Hougan returned to the United States on June 7 and pushed to send a delegation of locked-out workers to Europe, rather than just a few international staff and officers. They knew that the most effective way to tell the story of the lockout and what it was doing to workers' lives, their families, and their community was for rank-and-file workers to take their story to Marc Rich's doorstep and tell it themselves, in their own voices. Despite the cost of sending a negotiating team of five people, and despite the possibility of flak from other international officers, Becker agreed.

Many in the union, particularly Joe Chapman and Dallas Ellswick, USWA international staff reps, seriously questioned the value of chasing Rich across Europe, given both the expense of the trip and the need to focus staff and financial resources on the end-user and NLRB campaigns back home.

Eyebrows were raised at the Steelworkers building in Pittsburgh, and many rank-and-file members were skeptical. To them, Emmett Boyle, chief executive officer of Ravenswood Aluminum, was the villain.

But Becker and the strategy team knew that pressuring Rich was crucial to winning at Ravenswood, and they were prepared to defend their decisions.

On June 22, the local delegation met Joe Chapman at the Charleston, West Virginia, airport and flew to Dulles airport near Washington, DC, where they were joined by Hougan and Uehlein for the long flight to Paris and then Zurich.

The trip itself made many of the workers uneasy. The food was strange. The language was strange. And several of them, like Local 5668 President Dan Stidham, were white-knuckle flyers, taking the trip only because they were willing to do whatever they could to get their members back into the plant.

In Zurich, Joe Lang met them at their hotel and shepherded them around during their stay in Switzerland. Lang could tell how uneasy the Americans were in the foreign environment. "The reaction of the rank-and-file workers in Zurich, or in Zug, reminded me of the same sort of habits of my father or my brothers when they come visit me-like being in another world," explained Lang.

But he was struck by the Ravenswood workers' commitment. He found them very different from their counterparts in the Swiss metalworkers, many of whom had a detached, professional relationship with their union.

For Stidham, Charlie McDowell (who chaired Local 5668's grievance committee), and the others, the union was their fatherland, their Lebenswelt, their world of life. And it was this commitment, and the sincerity that went with it, that Lang felt made them such effective emissaries for their cause.

For their part, the Local 5668 members took to Joe Lang right away. They were amazed at his wealth of knowledge about Marc Rich and moved by his dedication to them and their campaign.

Their first action was a press conference outside Rich headquarters in Zug. The Swiss metalworkers had publicized the event, which was well attended. Throughout the crowd signs could be spotted declaring the solidarity of Swiss trade unionists with the "American Aluminum workers."

Uehlein and Chapman explained the lockout, the NLRB complaint, the OSHA charges, and the connection between Rich and Ravenswood. Uehlein declared, "If we did not believe in the relationship between Ravenswood and Marc Rich, we would not have come to Zug.... It is now up to Marc Rich to put the cards on the table and prove to the public that he has no stake in Ravenswood."

Then Dan Stidham, after introducing himself as "a union man all my life," told the crowd what Emmett Boyle, Marc Rich, and the lockout meant to the workers and their community. He ended his remarks:

But we won't go away, and neither will all the people around Ravenswood who are supporting us. They don't like scabs any more than we do. And they don't like absentee

owners lining their own pockets at the expense of the standard of living of entire communities. And that's what's happening.

Without paychecks, we've had to struggle to support our families. We're not buying all the things we need, and small businesses, ones that we've patronized for years, are really hurting. They're having to cut back, too, and layoff workers. But RAC doesn't care. Not as long as it can sell aluminum and hire scabs.

That's why we're here-to get some help from our union brothers and sisters in Europe, so we can help our union brothers and sisters back home.

Representatives from the Swiss unions and a Swiss legislator also spoke. The union delegation, followed by the media, then marched into Marc Rich's headquarters to request a meeting. Inside they confronted the same phalanx of secretaries that Uehlein and Hougan had run up against a few weeks before. They brought with them a petition from the union federation, signed by several members of the Swiss parliament, including the president of the Swiss Social Democratic Party.

To no one's surprise, Marc Rich refused to meet with the delegation.

But before they left the building, Charlie McDowell had himself photographed just below the sign clearly spelling out Marc Rich, A.G. Outside the building, the ever garrulous McDowell then held court with the Swiss reporters.

"As broad as a giant and with a handshake difficult to forget in a while, Charles McDowell, a perfect example of a steelworker, is 57 years old, has been married for 37 years, and is a proud father of three grown children," extolled a Swiss reporter. "However, since October 31 for him ... the world broke apart. . . . He has traveled together with a union delegation to Zug in order to speak with Rich. 'I would have told him he should sit together with us at the table and talk.'"

The event got six minutes of coverage on Swiss television that night, including a segment that had been filmed at Fort Unity the week before.

The small delegation of Steelworkers had accomplished in one day what Joe Lang and others had been trying to do for years. They had the citizens of Zug and Switzerland questioning whether Marc Rich, the great philanthropist, was good for their country and their community.

"It was the first time that a campaign against Marc Rich had moral support from the majority," Joe Lang explained. "All our campaigns [focused on Rich's breaking the] embargo against South Africa, the deals with Pinochet and Ceausescu, the deals with Pinochet and China, their deals with Iraq and Iran, their profiting from embargoes. All [those] campaigns didn't have this impact, of Ravenswood ... because it was easier to understand what was going on ... what's visible - 1,700 people locked out."

Next the workers moved on to Amsterdam · to meet with officials of NMB Postbank, a major investor in RAC. Their hope was that, by presenting their story to NMB, they could disrupt a deal planned to buyout the other owners of the plant, thereby demonstrating their power and effectiveness

to both Boyle and Rich. The meeting was arranged by Dutch unionists, including the union representing NMB employees.

As Joe Uehlein described it, the meeting was a great success:

They went in there and this banker – he was a member of the board, part of the management team at the bank – was so struck by these guys for a lot of reasons.... [They] exuded West Virginia. I mean, they were genuine. And that just came out of every pore in their bodies and it struck this guy in a way that a Hougan or me or anybody else could not have. That would have been more like a business relationship, more of a formalized kind of thing.

And he wanted to know every one of their stories. He sat down at the table, and after we went around and did the introductions, he then asked Dan Stidham, "How are you feeding your family? How are you paying your medical bills?" And goes to the next one, "How are you, what is this lockout, I don't understand this how does this occur?" He couldn't believe it. And they felt really good ... that they got an hour with the guy and that he was genuinely moved. . . . They left feeling very confident that he was going to do something.

The bankers were particularly interested in the NLRB complaint and the millions of dollars of back pay liability accumulating each month. Although the bank officials made no commitments that day, the union members left the meeting convinced that they were reconsidering their loan to RAC. Later that day the union held a well-attended press conference. On June 29, as the delegation headed home to Ravenswood, the members were weary but excited.

"I think we all thought that we were on to something," Dewey Taylor, a member of the bargaining committee, recalled. "That if we could direct enough attention to Marc Rich ... he's the one guy that with a word or a snap of a finger or something could end it all. We thought he was that powerful in the scheme of things. That he could just put his finger on the button, you know."

They were greeted by a full-page ad in the Jackson Star News, paid for by RAC. "How Certain USWA Officials are Spending the Summer," the ad's large headline read.

The supporting copy stated: "We thought you might like to know how some United Steelworkers of America (USWA) members are spending the summer and a significant amount of money. \$Visit Switzerland ... \$Tour the Netherlands ... \$Tour the Nation's Capitol ... \$Overnight Trips ..." Chastising the union leadership for spending the members' money and spreading "misinformation and lies" about RAC with "no effect on the labor dispute," the ad concluded:

It takes money to travel, especially to Europe, and those paying union dues may want to think about who is picking up the tab. Perhaps the slogan is wrong. Maybe it should be "Join the USWA and, if you are the right USWA member, see the world."

If you are the wrong USWA member, you are presently out of work because the right members never gave you an opportunity to vote on the final proposal Ravenswood Aluminum Corporation submitted to your negotiating committee.

Fortunately for the local, the company had little credibility with the rank and file. A few grumbled about the "European vacations," but, as one local member reported in the *Lockout Bulletin*, "they might fool someone that knows nothing about this situation, but fooled nobody that knows the track history of truth coming from RAC."

At the weekly informational meeting and picnic on the Tuesday after they returned from their trip, the negotiating committee regaled the large crowd with stories of the trip to Zug, the meeting with the NMB bank, and their newfound friends and allies in both countries. Suddenly Marc Rich seemed much more real and much more vulnerable to their campaign.

RAC lab worker Betty Totten would later tell a reporter from *The Nation*, "I spent my entire working adult life in the plant and I was just thrown out. Up to then, my life was set. . . . I never dreamed I'd be [sitting here] worrying about someone like that. And I bet he never dreamed he would have to worry about people like me."

In the months following that first trip to Europe, the union continued its escalation campaign at home and abroad.

At home, Budweiser, Stroh's, and several other large beverage companies stopped using RAC metal. OSHA levied a \$604,500 fine against the company, and, together with environmental groups, the union filed lawsuits against RAC for both water and ground pollution. The local union delegation returned to Europe several times, holding actions in France, England, Czechoslovakia, Romania, as well as Switzerland and the Netherlands.

The screws had begun to tighten on Ravenswood Aluminum and Marc Rich.

After twenty long months, on June 29, 1992, the escalation at home and abroad finally paid off. The locked-out workers returned to work at Ravenswood Aluminum Corporation under a new union contract signed by the new owners of the plant, put in place through the direct intervention of Marc Rich.

To say that the Steelworkers needed a win at Ravenswood would be an understatement. "It was a hell of a shot in the arm at a time when we desperately needed it," explained George Becker, now the USWA president. While the hemorrhaging of basic steel had been stopped and there had been several important victories in the past few years, most notably the win at USX, the union was far from being on stable ground.

Particularly because the Steelworkers had drawn the line in the sand and spent millions of dollars on the campaign, defeat was unthinkable. As Becker had said time and time again, "Failure [was] not an option."

Perhaps the most important consequence of the Ravenswood victory was the restoring of pride and confidence to the Steelworkers. Even before it was over, the struggle at Ravenswood had become one of those mythic events that are a source of pride for everyone in the union. So many Steelworkers had supported the locked-out workers by raising money, handbilling outside beverage companies and sports events, and traveling by car and bus caravans to Fort Unity. They all shared the sweetness of taking on the toughest of employers and coming out victorious.

Through the Ravenswood victory, the image of the union fundamentally changed in the eyes of employers. The USWA no longer could be seen as a moribund organization, willing to grant concessions if pushed hard enough.

"We're not going to walk off the plank, but on the other hand, nobody's going to push us an inch further than we think we have to go~ And if we aren't going to do it, we know how to wage a fight," says Dave Foster, a district director of the Steelworkers.

For a strike threat to be credible, management has to believe that the union is both willing and able to take on an employer and win. After a decade of too many concessions and too many defeats, Ravenswood gave that power back to the Steelworkers.

The national and international scope of the campaign and the extensive media coverage ensured that every employer that had a contract with the USWA understood to what lengths the union had been willing to go to win at Ravenswood - and would be willing to go again.

The Ravenswood victory was not just a triumph for the Steelworkers. It was emblematic of what a newly revived labor movement was becoming.

Even the New York Times reported, "In this dowdy, one-stoplight hamlet of 4,200 in the Ohio River Valley, the United Steelworkers of America has shown that a union can still break an employer."

If the Steelworkers had the ignominious distinction of losing the strike at Phelps-Dodge, which heralded the worst decade of the American labor movement, they were also responsible for winning the struggle that marked a resurgence for their union and the labor movement nationwide.

While any victory would have been good for the labor movement, that it was a victory over Marc Rich made it much more important. Rich's business operations represent a new corporate structure, focusing less on direct corporate ownership and more on a widening sphere of control. This complexity and diffuseness make using traditional methods of leveraging employers considerably more difficult.

In the 1920s the labor movement faced the early monopolies, which at first seemed impervious to union pressure. Yet by the late 1930s, the Congress of Industrial Organizations was in the process of

building a new labor movement in these very industries. In the same way, the victory at Ravenswood demonstrated that the new powerful, yet diffuse, corporate structures are not impenetrable to workers and their unions.

The unique aspects of the Ravenswood campaign would be difficult to reproduce in other struggles. How often, for example, is the 'major owner a fugitive from justice? And how often will OSHA find so many safety and health violations? How many unions have a mature and homogeneous workforce steeped in the Mineworker traditions of solidarity and community?

Yet the victory at Ravenswood Aluminum cannot be reduced to its eccentricities. Nor can it be dismissed as an exception, a fluke, or an accident - for the Ravenswood campaign provided a new model for how the American labor movement could win.

Against these new kinds of corporations, Ravenswood showed, once and for all, the poverty of the traditional labor strategy of standing on the picket line and waiting for the courts to act. While this strategy may have been effective against stable industrial employers in the 1950s and 1960s in a very different legal and political climate, it was simply not enough to win against the likes of Marc Rich.

Ravenswood also drove home that even the most innovative new tactics alone were insufficient to win in the 1990s.

The labor movement had moved forward through the 1980s in fits and starts, experimenting with a variety of new approaches - corporate campaigns, inside tactics, and community support. Yet none had proven the panacea for which labor was hoping.

The Ravenswood victory conclusively demonstrated the necessity of using all these approaches in sophisticated, multifaceted campaigns. Unlike the struggle against Hormel or International Paper, for example, the Steelworkers did not rely solely on a corporate campaign, but constantly brought pressure to bear in a plethora of new areas.

This was not a campaign with just one good idea. New ideas were constantly generated, along with new tactics to try.

There were no magic bullets. Ravenswood worked because the strategies and tactics grew out of careful research, understanding, and continuous analysis and rethinking of the particulars of the situation at hand. Success depended on being familiar with all the players and their interlocking connections, and diligently tracing the tangled threads of power and money from West Virginia to Washington, to Zug, to Romania, and to Venezuela.

But success also depended on carefully and creatively selecting where and how to apply the escalating pressure to make sure to focus the leverage on those individuals and organizations who both were vulnerable to pressure and had the power to end the lockout.

The other important lesson from the campaign was that Ravenswood was not won by strategy alone. It was also won by the determination, militancy, and solidarity of the members of Local 5668,

who held together for twenty long months. Without their will to win and their commitment to hold together, even the best strategy could not have kept them from losing.

This passion for the cause was not restricted to members of Local 5668 and their families. It was something that flowed throughout the Steelworkers' organization, all the way to its leadership, with the unwavering dedication of George Becker and the full support of Lynn Williams, the USWA president during the period of the Ravenswood struggle.

The efforts to keep union members involved in the larger strategies allowed the local and international union to stay united and were fundamental to the process that brought victory. The participation of the members - their voices, their stories, and their commitment - inspired and generated support from union workers across the U.S. and around the globe. From the New York Daily News workers, who virtually adopted Local 5668 throughout the lockout, to the twenty thousand workers who booed Marc Rich at the rally in Bucharest, the unions that donated \$25,000, and the union members who gave \$25, the locked-out workers touched a chord that only they, not the union staff nor the outside experts, could touch.

This model of inclusion is based on the participation and militancy of local union members in the communities where they live, but also reaches out to other workers and other communities around the globe. In the end it was the combination of the local militancy, solidarity, and commitment, coupled with a larger strategy that constantly escalated pressure against the company at home and abroad, that brought the Steelworkers victory.

As George Becker reminds us, "Struggles such as this renew the labor movement. The Ravenswood campaign demonstrated what it takes to win even where the employer is determined to bust the union perseverance, constant escalation of the battle, and a dogged determination not to quit no matter how bleak the circumstances may look.

"The labor movement must be constructive, creative, and ever-willing to change, but it must never, never forget how to fight."