

IN THESE TIMES

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# Supermart tries to break union

By David Moberg

CHICAGO

**I**N THE CONTINUING CORPORATE quest to cut workers' wages and benefits, Jewel Companies, the nation's ninth largest grocery chain has come up with a new twist. In late February, claiming a verbal agreement to reopen the contract that the union denies as the basis for its ac-

tion, the profitable chain unilaterally slashed wages and benefits of its 16,000 union workers.

"If Jewel can get away with it, this will take on epidemic proportions," union attorney Robert Karmal maintained. "The stability and sanctity of the collective bargaining contract would go down the drain. The written contract would be subject to all kinds of attack based on alleged verbal understandings. Any employer could say, 'Don't you re-

*Jewel Companies' moves are the latest manifestation of tough management assaults on labor in the competitive grocery business.*



member? We said that at our last meeting."

Unions are already reeling from decisions that allow companies to break contracts after simply filing for bankruptcy or to move work and shut down a workplace if a union refuses to make concessions. Jewel's actions take such unilateral employer rights to break contracts a step further.

Jewel's moves are also the latest manifestation of tough management assaults on labor in the competitive grocery business, where workers' contracts have been under attack while the industry itself goes through a major reorganization and shakeout that may ultimately hurt consumers as well as workers.

Jewel, which has been and continues to be very profitable, maintains that during the 1982 negotiations the United Food and Commercial Workers union representatives had essentially agreed to let management rewrite the contract to suit the company's needs if a new warehouse-style grocery competitor entered the Chicago market.

So when Cub Foods opened a monster store in the suburb of Burbank, Jewel called the union in, talked three times, then unilaterally cut wages from between 20 cents and \$1.25 an hour and vacation by as much as one week for its 16,000 union employees. Workers will also lose a scheduled 50-cent pay increase.

Union leaders cried foul. They said they agreed to talk about potential problems, but maintained it was absurd to think that union leaders would agree, verbally or not, to the terms Jewel claimed: if a Cub store opened, the economic terms of the contract would be terminated; if union and management could not agree on a new contract, Jewel's last offer would be unilaterally imposed; and the union surrendered any right to take the dispute to arbitration.

The union filed a \$25 million damage suit for breach of contract and to force Jewel into arbitration, but it also got embroiled in a National Labor Relations Board (NLRB) dispute after the company filed charges. The regional administrator, apparently accepting the company version of the disputed facts, concluded that there was an agreement to reopen the contract, that the two sides had bargained to an impasse and that the company

had the right to cut wages (although the union could still strike). The union appealed, disputing nearly every point of factual judgment—arguing that if the facts were in dispute there should have been a hearing of the case—and legal interpretation.

Many Jewel workers are bitter not only at the company—which controls about 30 percent of the metropolitan Chicago market—but also at the union. "They say what do they need a union for if Jewel can just cut their wages," union steward Tony Ellis said. "But I try to tell them Jewel controls the purse strings." Meanwhile, two other big chains have demanded concessions, and the union has recommended accepting a wage freeze in those disputes pending a decision in the Jewel case.

If Jewel's action angered workers, it pleased investors. Jewel's stock price shot up, and there were rumors of takeover attempts. Jewel returned 21 percent on equity in 1982, and last year's earnings on domestic operations were up to \$83 million, putting it in the top rank for retail food profitability.

Although the details vary from one local market to another, the broad outlines of the Chicago battle can be seen throughout the country. Grocery sales have been fairly stagnant as people buy more food in restaurants. Convenience stores have also cut into traditional supermarket sales. Now there is a significant excess capacity of grocery stores. In this competitive market, food prices in recent years have not risen as quickly as some grocery operating costs.

The marketplace has also changed. Many old-line chains have responded slowly to new consumer demands. And with a deep recession, especially in the industrial heartland, consumer demand declines, especially for the higher-margin non-grocery products and luxury items that supermarkets count on for much of their profit. Even the food industry has to some extent been affected by the "disappearing middle," the decline in purchasing power by the traditional "middle class" of better-paid workers and the expansion of the specialty market among the increasingly affluent upper strata of managers and professionals.

Enter the superstore. Not too many years

*Continued on page 22*



# IN SHORT

## Curiouser and curiouser

The Department of Commerce's (DOC) Bureau of Economic Affairs hasn't reported the number of U.S. business failures for the past 20 months, says T.R. Snyder. It seems that statistics from August 1981 to the present haven't made it into the computer at Dun and Bradstreet yet where they'll be processed and then passed on to the DOC for publication. Claiming "computer conversion problems," Rowena Wyant of Dun and Bradstreet told *In These Times*: "We're switching the statistics to computer. I can't tell you if they'll be available next week or next month. If you could just check in every month...."

The AFL-CIO Department of Economic Research hasn't had such a hard time with the same numbers that seem to mystify the Department of Commerce, however. Both the AFL-CIO and the DOC quote the same number for 1981: 16,794 failures. But from there on out the DOC's computer just can't keep up with the furious pace of business failures: 25,364 in 1982 and 30,794 in 1983, according to AFL-CIO statistics. The 1983 level is the highest business failure rate since the Depression era figure of 31,822 in 1931. Snyder, a University of New England professor of economics, finds it "peculiar that during this period of recovery we have higher levels of business failures than at normal recessionary levels." But then, who's telling?

## Guerrilla growth

Determined to weed out the guerrilla sympathizers in our midst, the Council for Inter-American Security has zeroed in on the Committee in Solidarity with the People of El Salvador (CISPES) because it "actively works to further the cause of the Salvadoran FDR-FLMN" by giving money to the Salvadoran guerrillas. According to the *National Catholic Reporter*, the conservative council's late March report to the Justice Department also attacked other groups who oppose U.S. intervention in Central America, but it singled out CISPES as the center of a "subversive" network that includes the "most radical elements of American society." According to the Council, CISPES has violated U.S. law by failing to register as a "foreign agent."

Other groups considered Castroite or pro-Communist and therefore worthy of the Council's ire are the Washington Office on Latin America, a church-sponsored lobbying group, and the National Lawyers Guild, an association of left and liberal lawyers. CISPES has co-sponsored events with these groups, and therefore—according to the Council's guilt-by-association logic—is thought to share their deep red "connections." A group that prides itself on leaving no stone unturned, the Council bemoans the fact that "even feminists have linked up with the pro-guerrilla movement" and cites the National Organization for Women's anti-intervention demonstration in 1983 as evidence to support that claim.

## Beyond morality

The World Court isn't the only legal body the Reagan administration is trying to avoid lately. The council of the General Agreement on Tariffs and Trade (GATT) recently declared that the presidential embargo that cut back Nicaraguan sugar imports by 90 percent violated several international trade agreements by allowing political considerations to influence trade relations. Once again, the 90-nation body has no power to enforce its decision, but it hopes that international opinion will deter Ronald Reagan. He remains his own man, however. An administration spokesman said that there are no plans for "making any overtures" toward Nicaragua to renew sugar imports.

## Ads for change

Tens of thousands of "Vote Brazil, direction elections now" T-shirts and banners filled the streets of Rio de Janeiro during the recent rallies aimed to persuade the Congress of a pro-direct-election vote on April 25. Determined to defeat the government-controlled electoral college system, the opposition parties initiated a well-orchestrated advertising campaign that will cost about \$2 million, according to *Advertising Age*. Besides T-shirts and banners, the money will be used for an intensive 10-day, late April TV campaign of five- and 10-minute commercials. The four major opposition parties—certain that the direct election is crucial to oust the Social Democratic governing party—each donated an hour of the free air time allotted them under Brazilian law for the commercials.

## Congressional pablum

If you think members of Congress have been consumed by the meatier issues of military aid allocation or immigration reform this session, the April issue of *The Congress Watcher* will set you straight. It notes that Rep. Manuel Lujan (R-NM) is hotly urging Congress to designate chili as the official food of the U.S. Not wanting to be accused of culinary reductionism, the Southwest representative described the many fine attributes of his regional dish, concluding that "it is a definitive food whose hearty, committed character embodies the robust and indomitable American spirit...."

—Beth Maschinot



Photographer Unknown

Rosario Ibarra is an outspoken opposition leader.

## Mexican opposition comes to the fore

**MEXICO CITY**—Tens of thousands of peasants from all over Mexico traveled to Mexico City last week and converged on the office of the Secretariat of Agrarian Reform. They then marched to historic Zocalo, site of the National Palace, to protest the country's deteriorating economic situation.

As the Mexican crisis deepens and government repression increases, a popular opposition is growing. Rosario Ibarra de Piedra, a leader of the National Front Against Repression and the first woman candidate for president of Mexico (in 1982) told *In These Times*: "The best face of the Mexican government is its foreign policy." This is probably the side best known to radicals and liberals in the U.S. who are aware of Mexico's support for the Sandinista government of Nicaragua and for the leftist rebels in El Salvador, she added.

"But there is one face for the outside world and another for inside Mexico," said Ibarra, "and they're completely different." While Mexico's ruling Institutional Revolutionary Party (PRI) supports rebels in Central America, it kidnaps and tortures members of its own opposition movement, claimed Ibarra.

Since the International Monetary Fund imposed a strict auster-

ity program on the Mexican government in 1983 the economic situation has only worsened. Government spending and food subsidies have been cut back sharply, and the government claims that the rate of inflation has decreased from 100 to 75 percent in the last year. Labor leaders, however, say the rate of inflation is closer to 150 percent. Prices have gone up dramatically for housing, meat, milk, fresh fruit, coffee and services.

The austerity program has plunged the country into the worst depression in more than 30 years with the gross domestic product falling 4.7 percent in 1983, the biggest decline in modern history. Domestic investment has fallen 25.3 percent. Even with the austerity program, Mexico still owes banks and other creditors \$89.9 billion, making it the world's largest debtor.

"Large sectors of the Mexican population simply have no social services because funds have been cut for health programs and education. Unemployment and underemployment are rising," said Ibarra. Two years ago unemployment and underemployment were estimated at more than 40 percent—and everyone agrees the situation has deteriorated since then.

Though the Mexican government publicizes a campaign

against corruption, Ibarra said the campaign is a "sham." "There are an infinite number of corrupt functionaries. There are also terrible irregularities of kidnapping and torture that aren't addressed by the government." Ibarra estimates that more than 500 political opponents of the government have disappeared in the past few years.

It was the disappearance of her son in 1975 that brought Ibarra into the opposition. A medical student, he vanished nine years ago and has not been seen since. Ibarra went to Mexico City to plead with the government because she believed his disappearance was the work of the police. She became involved in the movement against police repression and stayed on to become its most prominent spokesperson.

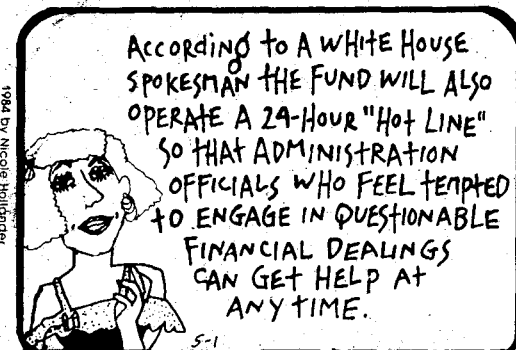
In 1982 she campaigned for president as the champion of Mexico's dispossessed workers, peasants and, particularly, its women. She ran on the ticket of the Revolutionary Workers Party (PRT) though she herself is not a member of the party. "I'm not a member of any party," she said. "Women, workers, peasants saw me running for office and they said, 'She's not a politician, she's not a lawyer, she's a housewife like so many others.'"

Ibarra is also an effective spokesperson for Mexico's opposition movement. She will be speaking in the U.S. through April 26 to inform Americans about the "other face" of the Mexican government.

—Dan LaBotz

## SYLVIA

by Nicole Hollander





Original articles, news clips, memos, press releases, reports, anecdotes—send them all to "In Short," c/o *In These Times*, 1300 West Belmont, Chicago, Ill. 60657. Please include your address and phone number.

## Delaware guards call "sick-out"

WILMINGTON, DEL.—In a unanimous voice vote on April 3, the Delaware State Corrections Officers, Local 1726, called for a "sick-out" against the Delaware Department of Corrections because of its refusal to re-negotiate the union's contract. The sick-out lasted two days, with more than 30 percent of the prison workers staying home from their jobs.

On April 7, Commissioner of Corrections John L. Sullivan agreed to re-open negotiations. As *In These Times* goes to press, neither the union nor the Department of Corrections will say if progress is being made on the crucial bargaining issues of routine transfers and salaries. The union's contract with the Department of Corrections had lapsed on December 31, 1983, and negotiations had been at an impasse since that time.

Commissioner Sullivan had argued that transfers are the exclusive right of management and that no guidance from the union would be sought or tolerated. Management had used its right of routine transfer to cover staffing shortages at various prisons. In some instances, reports the union, this policy has left one guard in charge of more than 500 inmates.

Claiming that management's staffing policies were creating "unsafe and dangerous situations," Local President Jay Foraker cited more than 339 work-related injuries suffered by a work force numbering only 700.

Other union members echoed his claim. "It's a dangerous place and they still make me work short. The way they're doing it [staffing] is putting my life on the line."

The union is forbidden by state law to negotiate for wages because wages of state employees are fixed by the state legislature. It is up to individual departments to submit budgets which include any proposed wage changes. Sullivan has refused to make any such addition to the 1986 budget. At current salary levels a correction officer's starting pay is \$12,000. This is \$3,000 to \$5,000 lower than wages in surrounding states.

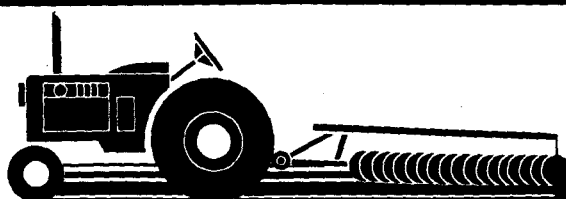
Future moves by the union are uncertain. Foraker counseled patience and short-term political actions including the sick-out at the April 3 meeting. Later he said, "I'm glad we didn't take a strike vote—this group would have voted for it."

Foraker's fears of harmful strike repercussions are well-founded. A member of the state training academy for correction officers claims that the Department of Corrections has a waiting list of more than 200 applicants ready to take union members' jobs. On the first day of the job action Commissioner Sullivan indicated to the press that he was in the process of preparing suspension and dismissal notices; so far, however, none of the correction officers has been fired.

It is feared that Sullivan, who is rumored to have strong political ambitions, will seize the opportunity to take a strong stand against the union. The risks are great on both sides and perhaps still greater to the 2,000 inmates currently serving time in Delaware's prisons.

—Jon Schladen

**Delaware corrections officers protest the Department of Corrections' failure to re-negotiate their contract.**



## Briefing: Teachers, artists, farmers and doctors "aid the enemy"

Before leaving for Nicaragua in January, San Francisco juggler Nancy Levidow mailed out a fundraising appeal for equipment for Nicaragua's national circus. For Levidow and the other artists who contributed to the circus aid campaign, the contributions were both a small political statement against U.S. policy in Nicaragua and a sign of friendship. Levidow and other U.S. jugglers presented the gifts during a national circus performance for an appreciative Nicaraguan audience.

Citizens of Berkeley, Calif., have also decided to counter U.S. government policy in Central America—by opting for their own voluntary aid proposal for El Salvador. On July 19 of last year, the city council voted to adopt the FMLN-controlled town of San Antonio Los Ranchos as its sister city. Berkeley residents have contributed \$11,000 in non-military aid to the town so far.

When word came last August that San Antonio had been bombed and its 1,200 *campesinos* had been evacuated to surrounding villages, the food and medical supplies purchased by Berkeley donations were re-routed to the town's displaced residents.

As Berkeley continues to send money, Mayor Gus Newport has called for a congressional investigation of the bombing, citing Geneva Convention prohibitions against attacks on civilian targets.

There are nine major people-to-people aid campaigns and scores of smaller ones directed at Central American countries. These alternative aid programs attempt to counter the U.S. military aid given to right-wing regimes and the covert aid given to the *contras* fighting to overthrow the Nicaraguan government. Although designed to provide desperately needed food and supplies, most programs also have an educational and organizing impact that ensures

that the donations are more than just charitable contributions.

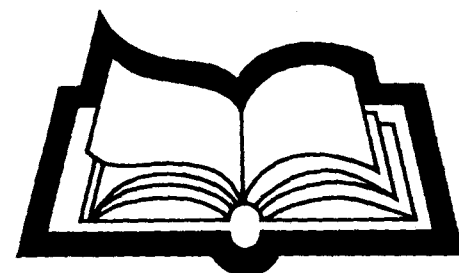
One of the largest programs—Tools for Peace—is organized by Oxfam-America, a Boston-based international development and relief organization. The goal of Tools for Peace is to raise \$250,000 in agricultural, medical and educational equipment—enough to fill a ship bound for Nicaragua from San Francisco in late May.

The professional and political groups involved in the Oxfam campaign are responsible for raising money and materials. Oxfam is responsible for the safe voyage of the "American Express" and for ensuring that the donations make it into the

State Department opposes "feeding and caring for those who are out to commit inhumane acts," says spokeswoman Anita Stockman, the possibility of a future crack-down on Central America-bound aid is not out of the question.

Ironically, the U.S. government does provide some indirect humanitarian aid to Nicaragua. It reimburses AFSC for shipping costs in order to boost U.S. shipping. This inadvertent aid may also end if the World War I-era "Trade with the Enemy Act" is tightened once again.

Oxfam's loading of the American Express will be given a large and visible send-off so



hands of the Nicaraguan groups that will distribute them.

The professional groups usually raise money for materials that are indispensable for their work at home. The Central American Health Rights Network East and the Committee for Health Rights in Central America (CHRC) are collecting money and medical supplies to fortify Nicaragua's fast-draining medical resources and to build a reserve for emergency use.

CHRC has also exchanged medical personnel and taught medical students in Nicaragua in the past few years.

The American Friends Service Committee, with a 67-year tradition of providing emergency aid to battle-torn countries, is raising money for pencils, paper and other school supplies for a successful continuation of Nicaragua's literacy campaign. In addition to school supplies, AFSC will focus shipments of food on the people displaced by *contra* fighting on the Nicaraguan-Honduran border.

One northern California group is planning to buy a tractor. A Berkeley car mechanic is asking fellow mechanics to scavenge carburetors, tires, engines and other used parts for Nicaraguan use.

The private agencies and individuals involved in these people-to-people campaigns have had surprisingly few problems with U.S. government interference. The State Department has clamped tight restrictions on aid to other "enemy" nations—23 designated ones, all Communist countries in Eastern Europe and Asia. Because the

that opposition to U.S. policy in Central America will be clear. A late April celebration in Boston will mark the transporting of goods from the east to the west coast. On May 13, Oxfam and the Friends of Nicaraguan Culture will sponsor "Breaking the Blockade with Tools for Peace," a parade with music, dancing, jugglers and clowns beginning at San Francisco's Civic Center.

For more information on the Oxfam campaign, contact Oxfam America, 115 Broadway, Boston, Mass. 02116. (617) 482-1211.

—Patty Somlo

