

Labor in Focus by Philip Valenti

Call for end to airline deregulation

The Eastern Airlines strike brought to a head the issue many wanted to ignore. An interview with a top labor leader.

A high-level source in the Delaware County, Pennsylvania AFL-CIO Labor Council, who is also a leader of the International Association of Machinists' strike against Eastern Airlines, called for public support for congressional hearings to expose the destructive impact of airline deregulation, in an interview with *EIR* on March 6.

The labor leader reported that discussions have been held with members of Congress, who want to investigate the possibility of re-regulation not just of the airline industry, but of trucking, banking, and other sectors of the economy. Although the IAM doesn't have a specific legislative proposal, the union, along with the Teamsters, is pushing for hearings before the appropriate congressional committee, wherein not only labor relations, but also issues of safety and maintenance, would be probed.

The strike leader pointed to a shocking action taken in December 1988 by the Federal Aviation Administration (FAA), which, through a mere memorandum, revised Regulation 145. This action allows domestic airlines to perform regular maintenance outside of the United States, free of all U.S. government licensing and inspection!

Our source reported that Frank Lorenzo, the owner of Eastern Airlines, is currently negotiating with the government of Brazil to set up maintenance bases in that country, as part of a plan to establish up to 250 foreign maintenance bases around the world, to service Eastern and other U.S. carriers. Since there are only 200 FAA inspectors available, the problem of

inferior and ersatz parts used in maintenance has already reached major proportions.

The recent crash of a military plane in Michigan was due to shoddy maintenance done in a foreign country with parts that were inspected by no U.S. authority, the union source charged. The IAM is sponsoring legislation, H.R. 145, to reverse the FAA decision, which he said was a direct result of the deregulation pressure, and which Lorenzo justified by the ostensible need to compete in world markets.

Lorenzo's position, however, is not supported by other airlines, which, like United, have invested heavily over the years to create excellent maintenance facilities in the United States.

The deregulation of the airlines in 1979, although not an issue directly on the bargaining table with Eastern, is what made Frank Lorenzo's mode of operation possible, the union spokesman emphasized. He pointed out that the first act of Lorenzo, after his Texas Air took over Continental Airlines, was to demand givebacks from the union, and then, after being refused, to take Continental into bankruptcy in order to terminate all labor agreements and make the airline non-union. Since then, Congress has amended the bankruptcy code, to make such maneuvers more difficult.

When asked what the public could do to support the Eastern strike, the spokesman urged pressure on President Bush to order federal fact-finding, in which, he said, the whole issue of deregulation could be raised. The President's action would include a 60-day cooling-off period.

The union representative was es-

pecially concerned to correct "erroneous" statements by Secretary of Transportation Samuel Skinner, and stressed that the union is willing to accept the decision of an impartial fact-finding board appointed by the President, and that the Congress has the power to impose the decision on both parties in any case. He also emphasized that the IAM has "given back" wages and benefits to Eastern totaling \$1.4 billion over the last 10 years, which is about equal to what Lorenzo has lost since taking over the airline.

When asked who, if anyone, is supporting Lorenzo's position, he pointed to statements by Secretary Skinner, which make him sound "like an adjunct to Eastern Airlines."

On the question of public support, he recounted a recent incident in Philadelphia, in which Eastern passengers, outraged at their mistreatment by the airline management, spontaneously picked up signs and joined the union picket line at the airport.

In response to Lorenzo's threat to dissolve the company (which was realized three days after the interview took place, when Lorenzo put the company into Chapter 11 bankruptcy), the union source said: "Well, there was a lot of job security for slaves back in those days, but no dignity. We don't intend to be slaves for Frank Lorenzo." He ridiculed the so-called advantages of non-union operations, pointing out that Continental Airlines has lost over \$350 million since busting the union there.

In closing, this reporter remarked that, in view of such injustices, more people ought to appreciate the injustices perpetrated against Lyndon LaRouche. "What you just said reminds me of what a great Philadelphian, Ben Franklin, once said," the labor leader responded. "We either hang together, or we'll all hang separately."