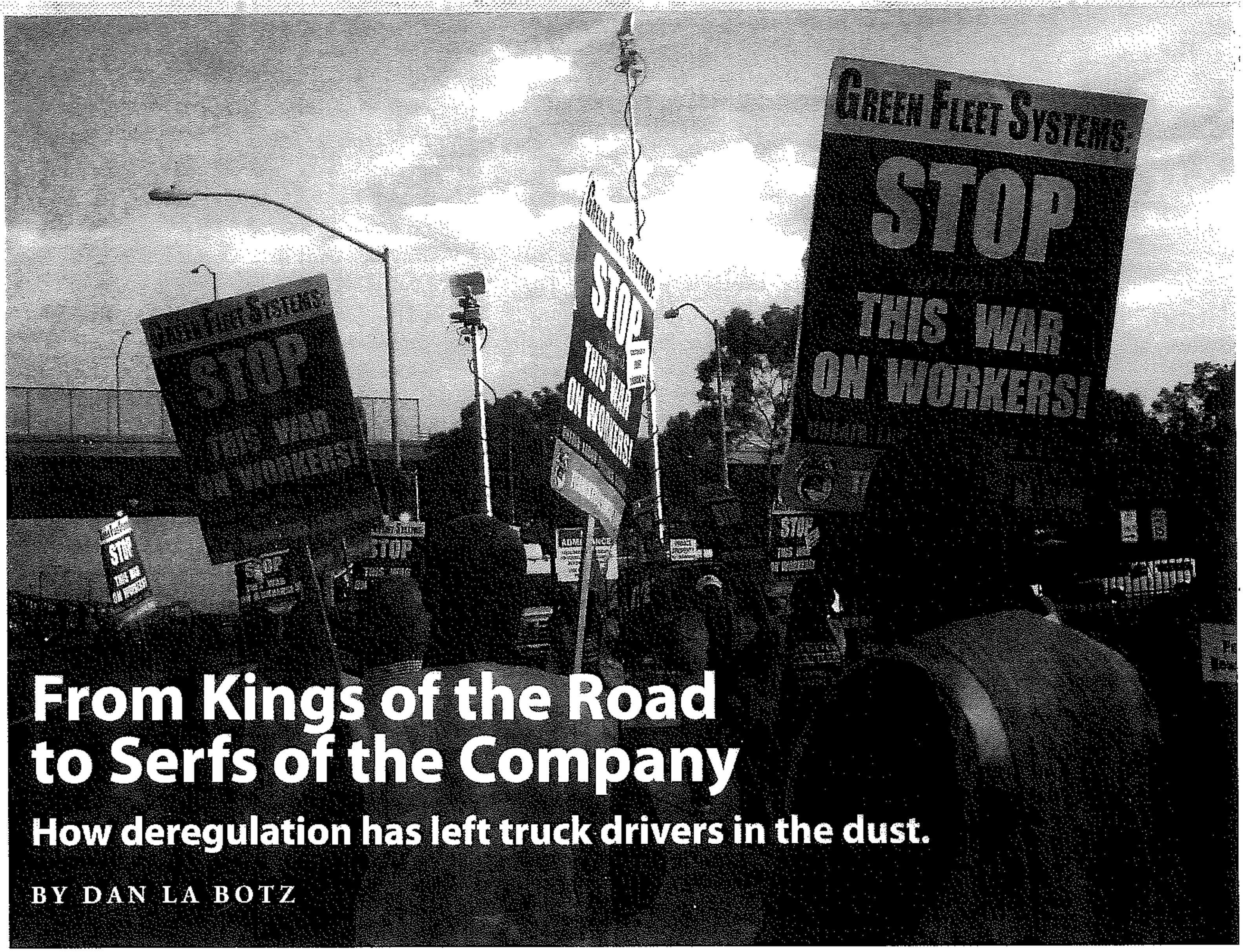

From Kings of the Road to Serfs of the Company

How deregulation has left truck drivers in the dust.

BY DAN LA BOTZ

Teamster-supported port drivers who haul goods for Walmart, picketing their employer, Green Fleet Systems, at the Port of Los Angeles in November 2013.

Credit: International Brotherhood of Teamsters

THE TRUCK DRIVER WAS ONCE THE KING OF THE ROAD, RIDING high from the 1950s through the 1970s. Sitting up in the tractor, pulling an eighteen-wheeler, looking out over America's city streets and country roads and highways, he—back then, the driver was almost always a he—earned good money, often had health benefits, and may well have had a pension plan. Hank Williams and Johnny Cash came in loud and clear over the radio, and the driver could see in his mind's eye the truck stop, cup of coffee, and slice of apple pie down the road. True, the hours were long and the work sometimes dangerous and unhealthy, but by and large, trucking was considered a good occupation. That was especially true for those drivers, nearly half a million, who were members of the International Brotherhood of Teamsters (IBT), covered by its freight contract, and who had enough seniority to protect them from layoffs in down times.

Trucking became the stuff of song and story, of legend. Dave Dudley's wonderful "Six Days on the Road"—the story of a truck driver who is a little overweight, way behind schedule, popping pills, and passing everything in sight, but happy because he's "gonna make it home tonight"—became a top hit in 1963. (Even better was the 1968 black blues version of the song by Taj Mahal—at a time when both employers and the union excluded African Americans from jobs as drivers.) A decade later C.W. McCall's song "Convoy" told the story of a mythical truck driver rebellion against the 55-mile per hour speed limit, a tale not so different from the real truckers' shutdown of 1974 over rising oil prices. "Convoy" became the number-one song in 1976 and later a bad movie. Truck drivers, popular culture told us, were lovers and fighters, independent working men in the mythic tradition of the pioneers and the cowpunchers. The romance of the road called to young men who sometimes spent a lifetime working for themselves or for the trucking company and retired with a company pin, a union pension, and nostalgia for their days behind the wheel. ››

Even back then, there were some serious problems in the trucking business. With recessions in 1975 and again in 1979, the companies began to press for higher productivity. With unemployment high, workers were reluctant to strike. The Teamsters fell under the control of a string of leaders—Frank Fitzsimmons, Jackie Presser, and Roy Williams—who had led the union into subservience to Richard Nixon, the mafia, and the FBI. Presser, whom the *New York Times* called a "Teamster union leader, lackey of the mob, Presidential adviser and top-level Government informer," collaborated with employers while ignoring the needs of rank-and-file union members. The rank-and-file of the 1970s rebelled, carried out wildcat strikes and organized Teamsters for a Democratic Union (TDU), and began a long battle for reform with some success. All these problems and conflicts notwithstanding, until 1980, working in the trucking industry meant a steady job, relatively high pay, and good benefits for hundreds of thousands of American workers.

Striking Teamsters battle police during the Minneapolis Teamsters strike of 1934, which led to a general strike.

Credit: National Archives and Records Administration

Those were the days—and they are long over.

"The trucking industry is going to hell in a hand basket." That's what Ben Sizemore, a truck driver for over 35 years, told *Dollars & Sense*. Sizemore is a member of Teamster Local 407 in Cleveland, Ohio—he's one of the lucky ones who still has a union. "The laws have changed in favor of the corporations, and they're putting more of a burden on the driver. The employers today are trying to get more out of you for less. We have gone backwards in wages." Industry experts say that trucking workers' real wages have been driven back to the early 1950s, before there was a national freight contract.

When they don't have a labor union to represent them, drivers not only have low wages, but also work long hours—some of them unpaid. They often deal with difficult working conditions and face significant health and safety issues. Some of the jobs are so bad and pay so little that employers have a hard time filling the seats, with a turnover rate of more than 100% per year among large truck-load firms. If once they were kings of the road, today most truck drivers are serfs toiling on the vast corporate estate we call America. How did this happen? Where are we today? And what are the prospects for the future?

The Great Depression Leads to Regulation

Truck transportation, replacing horse teams and wagons and supplementing the railroads, only really got rolling in the 1920s—just in time for the Great Crash of 1929 and the Great Depression. With 25% of the population unemployed, anyone and his brother modified their Model Ts, putting a box on the back, and went into the business, leading to fierce competition in local drayage (short-distance) as well as long-haul (intercity) trucking. Cutthroat competition led to the collapse of scores of trucking companies, forced down workers' wages, and made it difficult for shippers to find reliable service. Trucking was a mess.

In response, Congress passed and President Franklin D. Roosevelt signed the Motor Carrier Act of 1935, which regulated the trucking industry's routes and rates, while making it difficult for new companies to enter the business—thus ending the cutthroat competition that had prevailed earlier. The industry was more or less frozen in time as a collection of local cartage companies and regional carriers who moved freight through interline shipments; that is, breaking down and reassembling shipments, passing a barrel or a box from one company to another until it reached its final destination. The result was a government-supervised oligopoly, a legal cartel, but it brought an end to the chaos that the Depression had wrought on the industry.

At the same time the Teamsters succeeded in organizing both city and long-haul drivers in the

East, Midwest, and West Coast, winning contracts that provided standard wages, hours, and conditions in numerous cities and even several regions of the country. And Teamsters organized not only the drivers, but also dockworkers and, later, clerical workers, becoming a national, industrial union. When the economy revived as a result of America's entry into World War II, trucking expanded to become a major transportation sector rivaling the railroads. Then, in the late 1950s, Teamster President Jimmy Hoffa began to bring all of the freight hauling companies into what became known as the National Master Freight Agreement. By the 1970s that "pattern agreement" covered 450,000 workers, and influenced—and tended to enhance—contracts covering hundreds of thousands of others.

With the American economy in its prosperous post-war years, the combination of government regulation and union organization created a stable and profitable trucking industry while also making it possible for the companies to pay higher wages and health and pension benefits for workers. We can now see, as economist Thomas Piketty has recently argued, that the "Golden Age"—1940-1970—was an exceptional period in American capitalism. The regulatory system tended to benefit the largest shippers (such as General Motors, Montgomery Ward, and Sears), and big regional trucking companies, as well as a group of highly paid workers, at the expense of smaller, would-be competitors and the general public to whom costs could be passed on. When that period ended, something had to change. The sun shining, the window open, and the breeze blowing in, truck drivers drove their rigs into the future—unaware of what it was to hold.

The Return of Crisis and Deregulation

The reader may find it surprising that it was Ralph Nader and Ted Kennedy who pushed for deregulation of trucking (along with commercial air travel), setting off the revolution that ended government control of the industry and toppled the Teamsters from the union's stronghold. While Nader and Kennedy initiated the movement, they were part of a broader, bi-partisan consensus in favor of a deregulated economy. When he signed the Motor Carrier Act of 1980, Jimmy Carter promised that it would benefit all the nation's citizens—including labor. But that was not true. For labor it proved a disaster.

The 1980 Act was predicated upon the idea of the free market, removing barriers to the entry of new companies and dismantling regulated routes and rates. The earlier Freight Common Carrier sector now split into two parts: "truck-load" (TL) and "less-than-truck-load." (LTL). Very quickly, ››

TRUCKERS' HEALTH PROBLEMS

"Long-haul trucking has been recognized as an occupation that is disproportionately detrimental—when compared to other occupations—to the health, safety, and well-being of drivers." So argue Yorghos Apostolopoulos, Michael Lemke, and Sevil Sönmez in their recent article "Risks Endemic to Long-Haul Trucking in North America: Strategies to Protect and Promote Driver Well-Being," published in the environmental and occupational health journal *New Solutions*. "Tractor-trailer drivers function in a work context marked by high physical and psychological workload, erratic schedules, time pressures, disrupted sleep patterns, and resultant ramifications. These stressors have been linked with truckers' excess cardio-metabolic disease, certain types of cancer, and musculo-skeletal and sleep disorders, along with highway crashes that carry serious repercussions not only for truckers but also for the general population."

These issues the authors note spill over into society in terms not only of accidents but other social costs. They call for an "Integrated Trucker-Health Protection and Promotion" approach that would focus on: "1) trucking work environment stressors (e.g., lack of healthful workplace resources, mile-based pay, fragmented sleep patterns, team driving); 2) non-work-environment stressors (e.g., absence of social capital and institutional protections, absence of health insurance provision to drivers and their families); and 3) trucker health risk behaviors (e.g., unhealthy diets, lack of exercise)."

While these researchers call for "key stakeholders" to take an interest in this approach which could lead to both greater health and economic efficiency, it seems that for such a program to be successful, workers would need to be fully involved and have a union that they control with the power to make employers and the government treat driver health as the important issue that it is.

says Stephen V. Burks, professor of economics and management at the University of Minnesota in Morris, "companies fled the less-than-truck load freight industry while others flooded the truckload sector." Existing trucking companies "double breasted"—opened non-union subsidiaries parallel to their existing union operations but paying lower wages, offering fewer benefits, and imposing poorer working conditions. More importantly, thousands of new non-union carriers entered the field. They grew and prospered as union companies collapsed. "The union got slaughtered," says Burks.

The less-than-truckload (LTL) sector of the industry began to shake out, with hundreds of companies failing. Sadly many of these companies first became Employee Stock Ownership Plan (ESOP) ventures that took truck drivers' and dock workers' savings and voluntary wage reductions before finally folding. Today there are about 60 LTL companies, but just a handful such as Conway, YRC Worldwide, Old Dominion, and Arkansas Best Freight (ABF) dominate the industry.

At the same time, other new non-union companies, eventually thousands of them, entered the truckload (TL) freight sector of the industry, where networks of terminals were not required. In fact, one could operate a trucking company with no terminals at all. Today, many drivers pick up freight at one location—an entire truckload—and deliver it to another. Drivers often go into the warehouse and pick up and load the freight themselves on their own unpaid time. This means that the company owner's only capital investment is the truck. It also means that there is no fixed base of operations, or one might say, no workplace. Truck drivers go to work all alone, sometimes at a different location every day, and might not have any contact with other drivers except at a truck stop. This makes it extremely difficult for the Teamsters to organize these workers, the great majority of whom remain non-union.

At the time of deregulation, there were perhaps 200,000 "owner-operators," self-employed drivers who owned their own trucks and worked for truck brokers, trucking companies, or shippers. While at one time the union had organized some owner-operators, by the time of deregulation there were few union members among them. Some of these drivers survived and some went under in the new competitive market, but there are still perhaps 300,000 owner-operators today, almost all non-union.

Finally there is the package sector—the government calls them "couriers"—which requires enormous capital for extensive networks of terminals and equipment. It became reduced to just three large corporations: United Parcel Service (UPS),

DRIVERS STRIKE L.A.-LONG BEACH, COUNTRY'S LARGEST PORT, FOR FIVE DAYS

Workers associated with Justice for Port Drivers, a Teamster-backed group, struck at the adjoining ports of Los Angeles and Long Beach on Monday, July 7. The picket lines, at the largest seaport in the United States, handling most of the enormous trade from China, lasted for five days. The 120 drivers employed by Total Transportation Services Inc., Green Fleet Systems, and Pacific 9 were demanding to be treated as wage-earners rather than as independent contractors.

This was one of a series of small "demonstration strikes" calling attention to port truckers' issues, though this one had a larger impact than the others. The drivers picketed at four terminals, taking advantage of the fact that the contract between the Pacific Maritime Association (PMA), which represents shipping companies, and the International Longshore and Warehouse Union (ILWU), which represents all West Coast stevedores, had expired and negotiations were ongoing. With no PMA-ILWU contract in force, on their own initiative some ILWU members joined the picket line, at least at first. Their action briefly paralyzed Evergreen, APL, and Yusen terminals in Los Angeles and the Long Beach Container Terminal.

After a labor arbitrator ruled that the strike was not legitimate, employers and the union informed ILWU members that they had to return to work—breaking a long tradition of ILWU workers honoring others' picket lines. Los Angeles Mayor Eric Garcetti then intervened, holding a meeting with the port drivers who agreed to a "five-day cooling off period." The small strike had an equally slight impact on the movement of freight at the port, but it showed the drivers continued commitment to win their status as wage-earners.