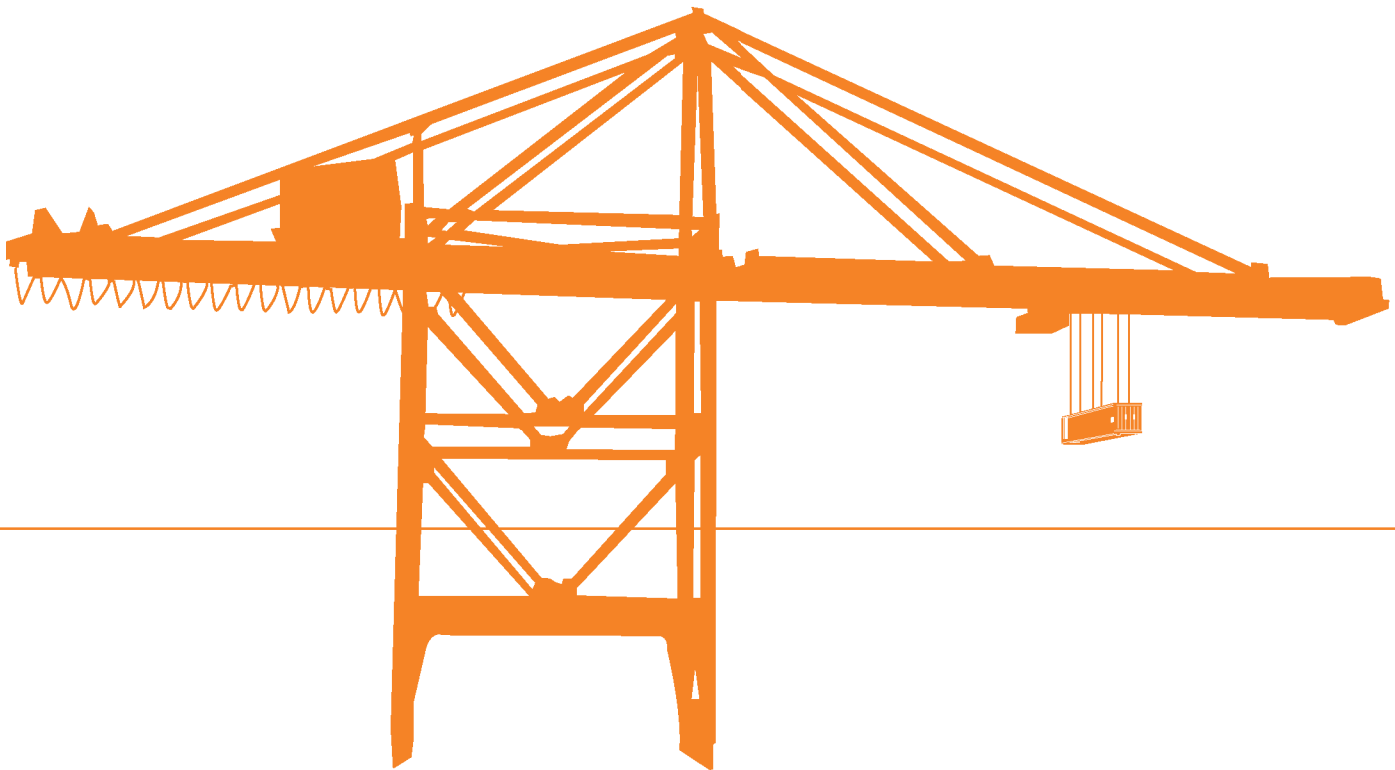


THE CARGO CHAIN

WORKERS WHO MAKE OUR ECONOMY MOVE



Over the last thirty-five years changes in the global economy have undermined bargaining power for many U.S. workers. Corporations have pitted U.S. workers against workers in other countries to drive down wages, erode health and safety standards and avoid regulation. But the transformation of how goods are made and moved has also created enormous leverage for workers in the transportation chain. With organization and solidarity these workers are in a better position than most to reverse the global race to the bottom and reclaim good jobs for themselves and for millions of other workers across the country and around the world.

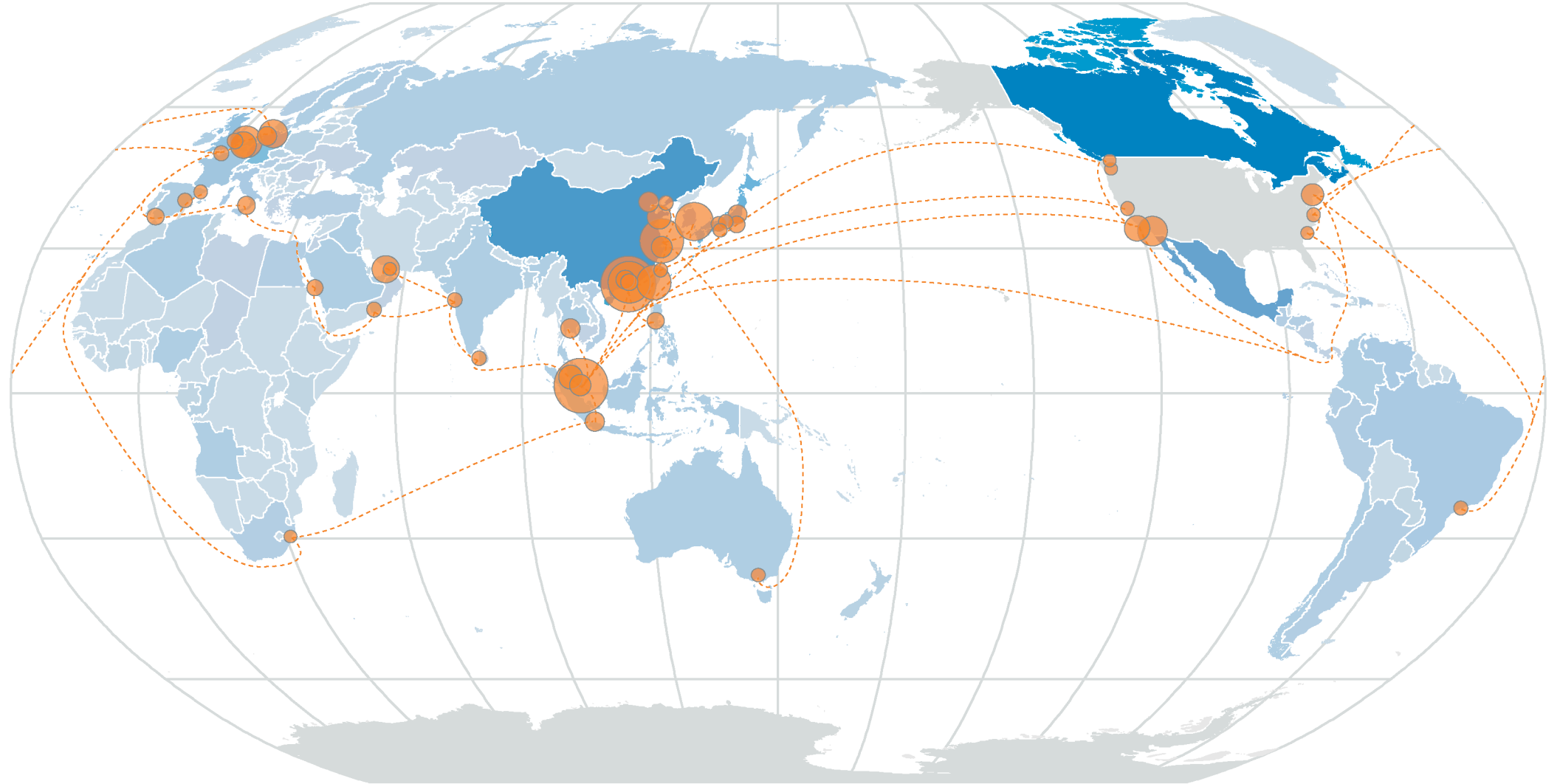
This pamphlet looks at the network of ship hands, longshoremen, truck drivers, railroad operators, and warehouse workers that make the global marketplace possible. To the average consumer these workers are almost invisible, but they stand at the center of today's economy, moving billions of dollars of goods daily. If globalization has allowed modern corporations to use the world as their workshop, it's only possible because of the increasingly complicated network of people and machines that move things from one place to another.

A REVOLUTION IN GLOBAL SHIPPING

Today the global economy depends on goods flowing seamlessly over oceans and across borders. Retailers rely less on inventory stored in big warehouses. Now they deliver goods “just-in-time” to the customer, using ships, terminal yards and trucks as their mobile warehouses. This global transportation network has become the circulatory system of the international economy.

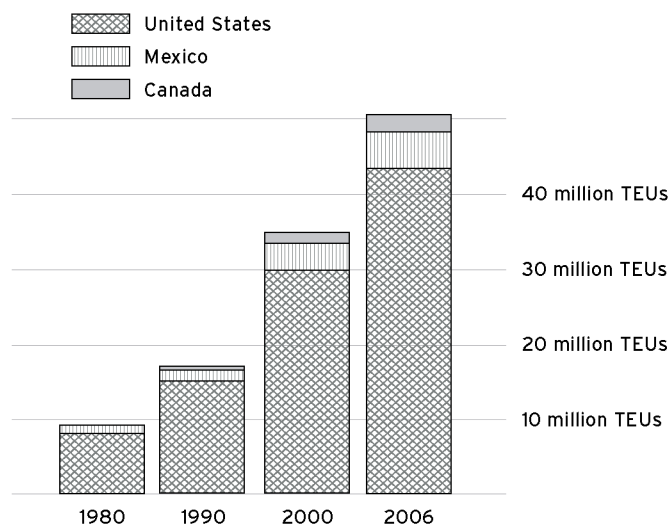
Prior to the invention of the shipping container, transporting goods across the ocean was slow, costly, and labor intensive. A small army of longshoremen handled the crates, barrels, and cartons that mingled with fresh fruit, steel coils, and sacks of coffee in a ship’s hold. Muscle, not machinery, was the most common solution to moving goods in or out of port.

The container, a dull, 40-foot steel box, changed all that. Now the cargo riding inside a ship could be quickly unloaded by a crane onto the back of a truck or rail car. After containerization, a job that previously took 125 dockworkers ten days could now be done by 40 dockworkers in 12 hours. By transforming how things are moved, the container made it possible for manufacturers to move their factories nearly anywhere. Corporations jumped at the chance to boost profits, scouring the globe in search of low wages and lax labor and environmental standards.



Robinson Projection; Central Meridian at 150°E

TEUs (TWENTY-FOOT EQUIVALENT UNITS) ENTERING OR EXITING THE UNITED STATES, CANADA OR MEXICO

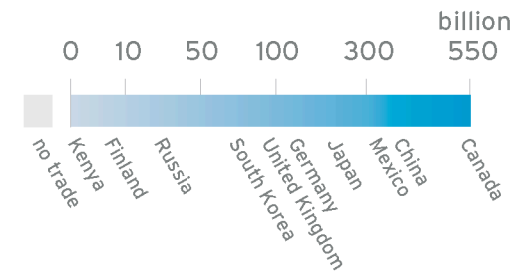


A Twenty-foot Equivalent Unit, or TEU, is a volume measurement equal to the dimensions of a 20-foot shipping container. Last year over 44 million TEUs moved in and out of the U.S.—almost double the number from ten years ago and more than four times the volume in 1980.

U.S. INTERNATIONAL TRADE 2006

Total value of all goods traded with the U.S. (imports plus exports), measured in U.S. dollars.

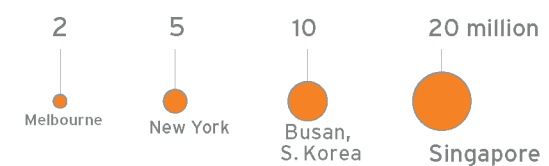
China includes Hong Kong and Macau, but not Taiwan.



GLOBAL CONTAINER TRAFFIC

Measured in Twenty-Foot Equivalent Units (a standard container box with dimensions of 20' x 8' x 8'-6").

TEUs handled in 2004 (top 50 ports):



THE CARGO CHAIN

How does this dizzying array of commodities get from the factory to the shopping mall? Let's take the example of the iPod, the music player that 35 million Americans have snatched off the shelves over the past six years.

THE CORPORATIONS

Who sits atop this new web of worldwide production, shipping, and distribution? Some companies are household names. Others are anonymous giants of today's global economy.

CARRIERS OR SHIP OWNERS

- These companies own or lease large container ships.
- They hire long-term container ship crews, and contract with importers and exporters who shepherd cargo in and out of the country.
- Ocean shipping is by far the most common and cost-effective method for moving freight. According to the Financial Times newspaper, "it often now costs more to ship a container by road 100km from a port to its final destination than it does to move a container by sea from China to Europe."
- The world's top three shippers bring over a quarter of the total goods into the U.S.—the largest shipper is AP Moeller-Maersk. Headquartered in Copenhagen, Denmark, Maersk has twice the shipping capacity of its nearest rival. Last year Maersk ships brought in 14.3 percent of all goods entering the U.S.



TERMINAL OPERATORS OR STEVEDORES

- These companies operate the terminals at the ports where ships are loaded and unloaded.
- The companies lease waterfront land, and own or lease the gantry cranes, docks and warehouses needed to move goods through the port.
- A small number of international companies dominate the market. The world's largest port operator is Hong Kong's Hutchison Whampoa, followed by Singapore's state-owned PSA, and Dubai Ports World.
- SSA Marine is the largest U.S. owned container terminal operator, moving more than 4 million TEUs in 2005.
- Investment and holding companies, such as Deutsche Bank, Ontario Teachers Pension Plan, and AIG, have purchased large terminal operations in the U.S. and abroad.
- The world's largest carrier, AP Moeller-Maersk, also operates terminals in 13 U.S. ports (under the name APM Terminals), including a new facility in Hampton Road, Virginia set to open in 2007.



FREIGHT SHIPPING

- These companies transport goods by truck inside the U.S.
- Schneider National is the largest truckload carrier in North America. Privately held, with estimated revenue of \$3.5 billion in 2006, Schneider operates over 14,000 trucks nationally.
- Yellow Roadway Corporation is the largest less-than-truckload (LTL) carrier in North America. LTLs collect cargo from different shippers and use a network of truck terminals and hubs to consolidate freight. Yellow Roadway has revenues close to \$10 billion in 2006. It operates over 17,000 trucks nationwide.



RAILROAD TRANSPORT

- These companies transport goods through the U.S., Canada and Mexico.
- They own the track and employ dispatchers, engineers, conductors, signal men, and yardmasters to transport cargo throughout their private rail systems.
- Union Pacific—the largest rail company in North America, operates over 32,000 miles of track inside the U.S., with the BNSF (Burlington Northern Santa Fe Corporation) coming in a close second.



EXPRESS DELIVERY

- These companies use a network of air and ground hubs tied together by a fleet of package cars, tractor trailers, and cargo planes.
- UPS, FedEx, and DHL dominate the market, together delivering over six billion letters and packages in 2006. UPS is the world's largest package delivery company.



RETAILERS

- These companies are the household names that sell us products manufactured around the world.
- The top three retail importers include: Wal-Mart with 695,000 TEUs in 2005, Target with 371,000, Home Depot with 335,000.
- Other large retail importers include Sears, Dole, Chiquita, Red Bull, Heineken, LG, and Ikea.



1.

THE FACTORY & LOADING DOCK

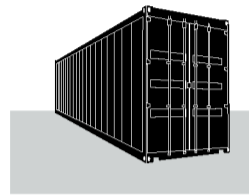
Odds are that an iPod bought today was probably made in Longhua, China, in a factory complex nicknamed iPod city. More than 200,000 people work in iPod city. Apple's subcontractor, FoxConn, produces 116,000 music players every day. They are individually packaged, put into larger cartons and eventually loaded into a shipping container.



2.

EXPORT TRUCK, RAIL & PORT

That 40-foot long container is driven ten miles to the port of Shenzhen, where a 150-foot crane will load it onto a containership joining 3,000 other containers for the 15-day journey across the Pacific Ocean.



3.

THE SHIP & OCEAN VOYAGE

A crew of 30 will guide this ship across the Pacific, most likely to the port of Los Angeles-Long Beach, the largest container hub in the United States. Although the ship may start its journey in China, there is a good chance it's owned by a Danish company and registered in Panama or Monrovia, so that it can avoid the labor and environmental regulations of Europe or the U.S.



4.

THE HARBOR

A harbor pilot will board the ship and guide it into the port. Tugboat operators will help the ship dock.



5.

IMPORT TERMINAL

Once secure, longshore workers will unload the ship's 3,000 containers with dizzying speed. With each crane able to move one container every two to three minutes, the crane operators and container equipment drivers will have the ship unloaded in less than a day. Chances are good these workers will place the container onto a double stack rail car or truck chassis.



6.

TRUCK & RAIL

If our container ends up on a double stack rail car, it will likely head to Salt Lake City before being transferred to points further east. If it ends up on a truck chassis it is likely to be picked up by an independent port trucker bound for an intermodal station in Ontario, California where it will be transferred to a long-haul trucker or put on a railroad car headed for its next destination.



7.

DISTRIBUTION CENTERS, WAREHOUSES & CROSS DOCKING

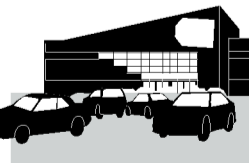
Once our container arrives at the distribution center, workers will unload and temporarily store it until the next leg of the journey. In some cases the box may never see a warehouse shelf, as it is "cross docked" from the container into another truck bound for a store.



8.

THE STORE

Workers will unload the truck and stock the shelves. Now you can buy your daughter the iPod she always wanted.



PLANNING, INFORMATION & CLERICAL SERVICES (A.K.A. LOGISTICS)

Coordinating all this movement behind the scenes are workers in a new field known as logistics. These workers handle the paper work, transportation, and planning involved in moving products from the factory to the shopping mall. They deal with customs, insurance and cargo receipts known as bills of lading. They also help track the cargo and inventory.



THE WORKERS

Each link in the chain depends on its own workforce, but the system of global cargo transportation requires coordination between every group of workers. A problem at any link in the chain can cause the entire system to back up.

CONTAINER SHIP CREWS

- 100,000 men and women worldwide work on container ships.
- They do everything from cooking meals to operating deck equipment like anchors and lines.
- The largest segment of the workforce is from the Philippines (close to 1/4 of the seafaring population).

HARBOR PILOTS & TUGBOAT OPERATORS

- 28,000 people work on tugboats or as harbor pilots in the United States.
- Harbor pilots board large ships once they reach port, steering them in and out of their berths.
- Tugboat operators guide large ships in and out of port.
- Many of these workers are members of either the west coast International Longshore and Warehouse Union (ILWU) or the east coast International Longshoreman's Association (ILA).



LONGSHORE WORKERS

- 60,000 US workers move cargo across the nation's docks.
- Longshore workers handle containers, cars, tankers, and bulk cargo like grains, coal or other raw materials. They operate cranes, forklifts, lash cargo and tend to mooring lines.
- Most longshore workers are union members, represented on the west coast by ILWU and on the east coast by the ILA.



PORT TRUCKERS

- 60,000 drivers carry containers out of the nation's ports to nearby rail transfer stations or warehouses.
- Because they are hired as independent contractors instead of employees, this largely immigrant workforce has often been denied the right to unionize. The International Brotherhood of Teamsters is currently waging a campaign to organize port truckers on both coasts.



FREIGHT DRIVERS

- 850,000 freight truckers crisscross the nation's highways every year.
- They move close to 65 percent of the nation's commerce by volume and roughly 75 percent by value.
- Prior to the deregulation of the trucking in 1980, about 60 percent of the industry was unionized, primarily with the Teamsters union. Today less than 13 percent of the trucking industry is unionized.



RAILROAD WORKERS

- 165,000 people work in the railroad industry in the United States.
- They move close to 14 percent of the nation's freight by volume and four percent by value.
- More than 70 percent of the nation's railroad workers are unionized, with the vast majority belonging to three unions, the Brotherhood of Maintenance and Way Employees and the Brotherhood of Locomotive Engineers and Trainmen—both of whom are now a part of the Teamsters union—and the United Transportation Union.



WAREHOUSE WORKERS

- 350,000 people work in the nation's massive network of warehouses and distribution centers.
- These workers unload and store the goods that move around the U.S. every year.
- Less than ten percent of the nation's warehouse workers are unionized, but those that are typically belong to one of three unions—the ILA, the ILWU, or the Teamsters.



EXPRESS PACKAGE DELIVERY

- 370,000 workers move packages for UPS, FedEx and DHL nationwide.
- Approximately 30 percent of the industry's workforce is unionized, primarily affiliated with the Teamsters union.



LOGISTICS PLANNERS

- 160,000 people work in the logistics industry.
- They coordinate the movement of goods from factory to consumer, navigate the different modes of transport and arrange the customs and insurance systems in different countries.
- These workers are a mix of professional and clerical workers, most non-union.

CHOKEPOINTS IN A FRAGILE NETWORK


Big corporations rely on an integrated network of docks, railways, trucking barns, transfer yards, warehouses, distribution centers, and dispatch offices to keep goods flowing across the U.S., Mexico and Canada. But the network has become overstressed and fragile, placing more power in the hands of workers at different links in the chain. If workers build strong connections across different industries and unions they can magnify this power, and use their collective leverage to create good jobs, with wages and benefits that can support families and communities.

PRINCE RUPERT
(opening 2007)


SAINT JOHN'S

VANCOUVER
FRASER RIVER
EVERETT
SEATTLE/TACOMA
VANCOUVER
PORTLAND

UPS STRIKE, 1997
In August 1997 the Teamsters union called a national strike against United Parcel Service. 185,000 workers at "Big Brown" walked off the job for more than two weeks. The flow of packages slowed to a trickle, particularly at the company's biggest hubs such as Louisville, Kentucky and Chicago, Illinois. A key issue was the company's increased reliance on subcontracting and the spread of low-paid part-time work at UPS itself. The union was determined to reverse these trends. The strike cost UPS an estimated \$600 million, and after 16 days on the picket lines UPS caved in to the union's demands. The company agreed to create 10,000 new full-time jobs, stay in the Teamster pension plan, and reduce subcontracting during peak seasons.




LONGSHORE LOCKOUT, 2002
In the midst of tense contract negotiations with the International Longshore and Warehouse Union (ILWU), the Pacific Maritime Association, the umbrella organization for West Coast port employers, preemptively locked out over 10,000 dockworkers at 29 ports up and down the West Coast. For ten days cranes and cargo were idle, to the tune of \$400 million a day. At issue was control of new technology and its application on the docks. President Bush ordered both sides to resume work, using his authority under the Taft-Hartley Act, a 1947 law designed to limit the power of labor unions. As a result of the miscalculated lockout and the union's strength, dockworkers won a solid contract.




SAN FRANCISCO
OAKLAND

LOS ANGELES / LONG BEACH

PORT TRUCKER WILDCAT STRIKE, 2006
May 1, 2006 saw millions of immigrant workers across the U.S. walk off the job, protesting punitive immigration legislation proposed in Congress earlier that year. The Ports of Los Angeles and Long Beach were particularly hard hit. Over 90 percent of the 12,000 truckers who service the ports refused to come in to work. These mostly Latino short-haul drivers are non-union, classified as independent contractors because they typically either lease or own a single truck. Despite their loose organization, held together by word-of-mouth, CB radio, and informal meetings, these "troqueros" were able to shut down 80-90 percent of the ports' truck traffic on May Day. By mid-morning the next day the ports were still running at only 20 percent capacity, as drivers trickled back to work.



RAIL WILDCAT STRIKE, 2005
On March 2, 2005 a two-hour walkout by 100 train dispatchers in Fort Worth, Texas snarled traffic up and down 32,000 miles of track, all the way up to Seattle. BNSF Railways, one of the nation's largest rail carriers, operated the route. BNSF had tried to change vacation policies and compensation time without bargaining with the dispatcher's union, sparking the wildcat strike. According to company reports, close to 50 percent of rail traffic was stopped in the Pacific Northwest, thousands of miles from the Texas-based dispatch center. The wildcat also shut down commuter trains operated by the railroad in Chicago, Seattle, and Tacoma, Washington, stranding passengers throughout all three cities.



MONTRÉAL

TORONTO

NEW YORK / NEW JERSEY

BALTIMORE

NORFOLK / NEWPORT NEWS

CHARLESTON

SAVANNAH
JACKSONVILLE

MIAMI / PORT EVERGLADES

WHAT ARE THE EMPLOYERS DOING?
Companies are not sitting around waiting for a strike or a natural disaster to delay their cargo. They are investing today to protect their profit tomorrow.

PORT DEVELOPMENT AND EXPANSION Employers like A.P. Moeller-Maersk are building massive new terminals and using huge tax incentives to expand the number of places where they can unload cargo such as the new \$250 million terminal in Mobile, Alabama, or the expansion of Barbers Cut in Houston, the Virginia International Terminals (VIT) in Norfolk, and the port of Savannah, Georgia.

INLAND PORTS AND DISTRIBUTION CENTERS Many companies are building massive inland distribution centers in states such as Arizona, Texas, or Pennsylvania. Using truck and rail connections they have moved distribution away from the waterfront, to rural areas where wages are low, land is cheap and unions are weak.

RAIL DEVELOPMENT Rail companies are working with the Department of Transportation to create massive rail yards, renovate track and raise overpasses to make way for rail cars that can stack containers two high. Norfolk Southern now has a direct line to Chicago and the Midwest since the overpasses were raised to make way for the "double stack" rail cars coming from the Virginia ports. This means shippers can now divert cargo from different ports to get to the Midwest. They could choose to do this because of a cheaper price, a work stoppage or a natural disaster.

RADIO FREQUENCY IDENTIFICATION (RFID) AND GLOBAL POSITIONING SYSTEMS (GPS) Companies such as Wal-Mart are investing in computer chips that can be read by radio frequency and relayed to satellites using GPS technology. RFID chips can transmit more than just location, they can also relay information such as temperature and humidity. Once fully developed, these technologies will track cargo all over the world, in a matter of seconds, helping reroute and move goods quickly around the globe. Using these chips, employers will be able to eliminate many dockworker and clerical jobs.

AUTOMATION Companies such as A.P. Moeller-Maersk have implemented new machinery that can operate without human beings, replacing dockworkers and port staff. For example, at the new VIT terminal in Norfolk, the yard cranes run without an operator, using GPS, cameras and computers. Six cranes can be operated at once from a computer booth. The rubber tire and rail mounted gantry cranes can stack containers seven high and six wide and deliver the containers to trucks. In the port of Rotterdam in the Netherlands an entire terminal functions with almost no equipment operators. The trucks and yard cranes function with GPS and computers.

THE NORTH AMERICAN INTERMODAL NETWORK

- Container Port
Size is proportional to number of containers handled in 2004:
New Orleans 275,000; Oakland 1,500,000; Los Angeles / Long Beach 9,000,000
- Primary / Secondary Highway
- Primary / Secondary Railroad
- Major Highway-to-Rail Transfer Station
(no data for Canada)

Albers Equal Area Projection; Standard Parallels at 22°N and 52°N, Central Meridian at 96°W.



SOLIDARITY VERSUS COMPETITION: FIGHTING FOR GOOD JOBS IN THE GLOBAL ECONOMY

This pamphlet shows the transportation network that corporations use to move goods into the United States from around the world. This network stretches through Canada and Mexico, connecting workers across national boundaries, industries and occupations.

Workers in this system can build strong unions, create safe workplaces, and secure good jobs for themselves and their communities, if they find a way to act together. With solidarity and coordination, they could also use their position in the global economy to leverage good jobs for retail workers in the U.S. and manufacturing workers overseas.

Corporations see the transportation network as an interlocking system, and it's important for workers to see it that way too. The veins of this network reveal where workers have power; the shipping lanes, ports, highways, and rail lines that connect U.S. cities and towns to each other and to the rest of the world. These maps also show how corporations can short-circuit that power — playing workers in different parts of the system off of one another.

In this context workers can only build lasting strength through organizing and solidarity — bringing union rights to nonunion workers and building ties between different workplaces and across different industries.

Longshore workers must forge links with dockworkers in other ports, as well as with port truckers, rail workers, freight haulers and warehouse workers. The same is true for other workers in the system. The old saying is as true today as ever “An injury to one is an injury to all.”

CREDITS

This project is part of Making Policy Public, a series of collaborations between researchers, activists and designers sponsored by the Center for Urban Pedagogy (CUP).

THE CENTER FOR URBAN PEDAGOGY (CUP)

CUP makes educational projects about places and how they change.

www.anothercupdevelopment.org

LABOR NOTES

Labor Notes is a non-profit organization that has been the voice of union activists who want to "put the movement back in the labor movement" since 1979. Through our monthly magazine, books, and conferences we connect workers across the country and around the world who want to fight back and win at work.

www.labornotes.org

THE LONGSHORE WORKERS' COALITION (LWC)

The LWC is a movement of ILA members and retirees organizing to build a stronger and more democratic longshore union. We are crane operators and car drivers, checkers and baggage handlers, lashers, mechanics, hustler drivers, break bulk handlers, tugboat operators and warehouse workers. We are black and white workers, women and men, immigrants and native born. We have members in ports up and down the East and Gulf Coasts: Hampton Roads, NY/NJ, Charleston, Savannah, Wilmington, Philadelphia, Baltimore, Jacksonville, Mobile, Ft. Lauderdale, Miami, Lake Charles, Houston, Canada, Puerto Rico and more.

LWC Contact Info:

www.lwcjustice.com

Longshore Workers' Coalition (LWC)

PO Box 21230

Charleston, SC 29413

THUMB

Thumb is a graphic design office that works on both commissioned and speculative projects, usually in the areas of architecture and urbansim.

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Cartography: Bill Rankin



State of the Arts



Support for this project was provided by the New York State Council on the Arts (NYSCA) and the City of New York Department of Cultural Affairs