
Interview: Jeffrey Bailey

‘We Need to Put the Heart Of America Back to Work’

Jeffrey Bailey, business manager and financial secretary for Ironworkers Local 292, in South Bend, Ind., was interviewed June 2 by Mary Jane Freeman. Mr. Bailey has been an ironworker for 22 years.

EIR: How many members does your local have?

Bailey: Here in the South Bend area, approximately 300, and nationally about 100,000 members.

EIR: What do ironworkers do?

Bailey: Basically, we are the first people on a construction site and the last to leave. We start out in the foundation, the footings of the building, and the carpenters put up the forms, then we place the reinforcing steel into the forms. The cement finishers pour the concrete, and then from that point, the structure rises, as far as the structural steel. Then the masons come along put the masonry brick on, if it has a brick facade; the glazers put in the windows; the carpenters put in the drywall, the doors, and the carpet, and then hand over the key to the new owners and say, “Here’s your new high-rise.”

EIR: So, ironworkers build the inside, or the backbone of every structure.

Bailey: Yes. We build the bridges you cross over the I-80, I-90 toll road, or the I-94, I-96 Interstate exchanges, over the rivers, the railroad tracks. We build steel mills, which make the steel for our cars, if they’re not made in another country, and the railroad tracks that trains run on. We also build water-treatment plants where the raw sewage from the city goes, so that we can maintain a clean water supply. . . .

EIR: What is one of the great projects you’ve worked on during your 22 years as an Ironworker?

Bailey: One of the first ones, when I first got started, was the D.C. Cook nuclear power station, which is located on the shores of Lake Michigan in the town of Bridgman, Mich., built in the late 1970s. It has to be one of the cleanest power production plants in the whole Midwest. There are two reactors there, which produce about 2,000 megawatts of electricity per day.

There was also a joint venture project between Nippon Steel and Inland Steel, where we built a facility called INTek, in New Carlisle, Ind. This was the most advanced steel pro-

duction plant in the world at the time.

That was 18 years ago. It could take the processes to make steel that normally took 24 hours to process the steel, and do it in 12 minutes! It takes a cold roll of steel, then runs it through a heat treating process, dips it through a galvanizing process, and then stretches it to the precise thickness needed in automobiles, appliances, rail cars—anything along that line where you need precision steel. We made steel there for Mercedes Benz, Toyota, and so on.

EIR: Is that facility still open today?

Bailey: It is, but now it has 18 years on it. It is starting to slow down, and I can see it being closed down in the near future, because the technology, in just 18 years, has changed to the point where we need to build a new facility that is more high-tech.

EIR: In the LaRouche PAC pamphlet, “It’s the Physical Economy, Stupid!,” there is a map which shows the nuclear power plants that were built, and also those which were cancelled since 1980. It appears from the map that there were two plants planned for Indiana. What happened with these, did either get built?

Bailey: No. There was a facility called Marble Hill and that plant was never completed. It was near total completion and then, I believe there was an issue at Three Mile Island [in 1979], and they stopped construction on it. They have now completely dismantled and torn down the entire project, basically back to the raw earth. The other nuclear plant that was going to be built in Indiana was the Bailey plant. So currently we have no nuclear sites in the state of Indiana.

EIR: When a nuclear plant is built, like the one you were involved in, in Michigan, how many ironworkers are employed?

Bailey: On that site at D.C. Cook there were probably 800 to 1,000 men just in the ironworker trade alone, not counting the electricians and everyone else involved.

EIR: On May 23, in the U.S. Senate, earth-shaking events unfolded, where the effort to defeat the Bush/Cheney plan to tear up the Constitution and take away the advise and consent powers of the Senate was successful. Most Democratic, and

some Republican Senators, speaking from the floor of the debate on this nuclear option, were saying that what *should be on our agenda* rather than this filibuster debate is jobs, the economy, health care, and so on. What do you think about that?

Bailey: I'm in total agreement with what happened there. You have to have it set up where we can filibuster so that we can stop these people; their agenda is nothing but to destroy the middle-class American and his family by stopping jobs that pay a person a good living wage, as opposed to someone for substandard wages.

What we need to do is get focused back on rebuilding America, and get America back to work. Once we do that, then maybe we can look at some of the other problems that are out there in the world, in my opinion. We should have the most advanced rail system in the world. We probably have the worst rail system in the world today.

EIR: In fact, this is a critical issue now with the financial sharks downgrading the debt of General Motors and Ford, positioning themselves to break-up and sell off the productive part of our auto industry, putting in jeopardy the existence of the auto plants and their machine tool capacity and skilled workforce. In the face of this, Mr. LaRouche has called for the U.S. Senate to take emergency action to rescue the auto and aerospace sectors, to retool them, as FDR did during World War II, retooling them for the production of things like a new rail system.

Bailey: This would create hundreds of thousands of jobs for working people. Basically, you start from the ground up. You've got to start in the ground. You pour the concrete, raise the columns, and build the rail system on top of those columns, that can go from New York to California safely, efficiently. To do all that you have to get your steel mills up and producing, making more steel for the project. You have to retool the manufacturing sector parts so that we can make the components that we need to build the train and all that goes into building such a system.

It's just a cycle that goes on and on. You'd have to increase copper mining just to make enough copper to build something of that magnitude. You'd have to open up the gunite and tagnite production, and the coal mines, to get those in operation, just to build the projects that this country needs.

EIR: Instead of outsourcing our jobs abroad.



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The D.C. Cook Nuclear Power Plant on Lake Michigan was one of the first major projects Bailey worked on. Built in the 1970s, it is one of the cleanest power production plants in the Midwest.

Bailey: Definitely instead of shipping our jobs abroad, or debating over daylight savings time in the state of Indiana for over eight weeks! Then, when all was said and done, the Governor stated it was going to create thousands of jobs now that we're going to switch to daylight savings time. That's just absurd.

EIR: Yes. This rail project which LaRouche has been talking about as an interim step to getting to magnetically levitated trains, is electrification of the rail system as a national project. This would electrify 42,000 miles of track and along the way you'd have to have power stations and transmitters, and so on. I presume ironworkers would be involved in the laying of the track, the power systems. . . .

Bailey: Yes, absolutely. Since the current Administration has been in office, I've had five power plants, just in my jurisdiction here, that have been put on hold. One in particular, Allegheny Energy Co., had a project one-third of the way completed, and my men went to work one day and the gates were locked. Allegheny said, "Sorry fellas, this job has been shut down."

EIR: Why?

Bailey: The reason given was that there was no longer a need for clean efficient electricity in the country. We have more than we need, is what they were saying. . . . That was five years ago in 2000. . . .

EIR: At the height of the energy crisis in California. . . .

Bailey: Correct. The company, Allegheny Energy was building the facility here in my area right next to my steel mill. The steel mill was going to be one of the main purchasers of the power. It was to be a natural gas power plant.

EIR: A rail map I'm looking at appears to show that Indiana does not have much rail service. Is that true?

Bailey: Well, we have an electric train system that goes from South Bend to Chicago's South Shore. We've been struggling to keep that still functioning.

It is quite old. I'd have to say it has been running for 60 years and is in need of great maintenance. But what we really need is a high-speed rail that goes from Detroit, Mich., to Chicago, which would swing down through the state of Indiana to get around the bottom of Lake Michigan. This would be approximately a 400-mile stretch.

Building on that core you could spread out and go south to St. Louis, Mo., or southeast to Cincinnati or to Cleveland. It's the rust belt—that's what they call us here, but we are the heart of America. We need to get this part of the country back to work, as well as all parts of the country.

EIR: It appears that there is no rail link from one of Indiana's major cities, Indianapolis, to Chicago, right?

Bailey: Right, there absolutely is not. I happen to be very fortunate, as here in the South Bend area the Amtrak system is still running so that you can take Amtrak from South Bend to downtown Detroit.

EIR: How many auto plants do you have in Indiana, and what's the impact of the downgrading, bankruptcy, and potential sell-off of GM and Ford for workers there?

Bailey: The most current facility that we built in South Bend, is the H-2 Hummer, four years ago at the height of RV-madness. It was a combined joint effort by General Motors and AM General. AM General is the company that makes the military Hummers which are also here in South Bend.

This venture was to make the civilian vehicle, which you know the Governor of California is quite proud of, and is running around the streets in. That plant, when it went into production, was running around-the-clock shifts, seven days a week, and now it has been shut down to one shift, five days per week.

EIR: How many auto workers are there in Indiana, and at that Hummer plant?

Bailey: Well over a couple hundred thousand, statewide. There's a GM plant in Ft. Wayne. At that Hummer plant now, there are only about 500. There were plans for this plant to expand. The parts were shipped in from all over the country and assembled there at the site. We had 11 Indiana firms that were involved just in bringing in components into the plant and now, of course, those jobs have been affected too, as there is no longer a double shift going.

EIR: What's the status at the Ft. Wayne GM plant?

Bailey: GM truck and bus in Ft. Wayne has been slowed down. Its production is just down to a crawl.

EIR: You mentioned before that there's a Bendix plant there too. What is done there?

Bailey: Bendix here in South Bend was one of the leading manufacturers of parts for the airline industry, for landing gear and braking systems. This plant also made braking systems for the European Air Bus. It has now been bought out by Honeywell, which is running only a small part of the plant. At one time it employed 10,000 United Auto Workers, and now it is down to approximately 1,000 people. This downsizing has occurred over the last 10 years.

Another Bendix plant in my area was a foundry where they made auto parts, castings that were then machined down by machinists, to make the finished product. That plant, I was just told, will be completely closed down by the end of this summer. This will put 500 more people out of work.

EIR: This year the American Society of Civil Engineers (ASCE) issued a "Report Card" on America's infrastructure which said that 27% of the country's bridges, or one in four, are structurally deficient or functionally obsolete. If we were building bridges the way we should be, or refurbishing or repairing them, how would that impact ironworkers?

Bailey: Oh, it would be an absolute increase in total production. Because to do this, you have to have the people working in the mills to make the steel. Once they make the steel, then it gets fabricated by fabricators. Then my men go out and erect the new bridge after they've taken down the old one. Between 10 to 15 ironworkers would be employed, per bridge.

This process goes even further. You have to make the reinforcing steel for the foundation. The concrete has to be made that is poured to hold up the bridge. The operating engineers who excavate and dig the dirt, have to be put to work. It would create jobs, jobs, jobs.

EIR: What about waste-water facilities? The ASCE says America needs \$72 billion in funds, over 33 years, to meet Clean Water Act standards.

Bailey: It's the same thing. Most are built out of heavy reinforced concrete. So once the form work is done by the carpenter, then my people put in the reinforcing steel. The same thing: The steel has to be made in one of the steel mills in our area. Our water-treatment facilities are in such disrepair that it is a miracle that a lot of them are even functioning.

Again, we should have the most advanced treatment facilities in the world, but yet we don't. I don't know if it's because of politics or what. It's the old saying, "Wake up America."

EIR: LaRouche has identified the 30-year deindustrialization policy which has manifested itself in the creation of bubbles—housing, stock market, or IT—but then the market

collapses, which reveals the underlying looting or cannibalization that has gone on. What about prevailing wage and health care issues for your union?

Bailey: The members that work through my local, pay more than minimum wage for every hour they work, just for their health care, which is \$6.00 per hour. We are self-funded. . . .

EIR: You mean that for every hour that an ironworker works, he has to pay \$6 of his wage to health-care costs?

Bailey: Yes, and there are other locals in the country that are higher. I believe that Chicago is now up around \$9 per hour. Out in the East Coast, their contribution levels are up to \$7 and \$9 per hour.

EIR: What should Congress do about that?

Bailey: What they have to do is step up to the plate and declare that there will be no more increases in the health and welfare costs. Put a freeze on these costs, if not try to reduce these escalating costs. They need to get employers, whether it is Wal-Mart, or K-Mart, or whatever, to provide health coverage for their workers. Because in my opinion, our union is having to help foot the bill for those that don't have insurance, and that's why the costs are so high.

If you think about a guy who is out there in the cold, the rain, the snow, he's paying \$6 per hour just for health insurance, which is way over what minimum wage is. So you have to ask, how does a person on minimum wage make it? He can't. The thing is my people, in the building trades, we're not like other unions, say like the United Auto Workers. If my guys aren't out there physically working, they don't get paid. They don't get paid holidays, no sick days. We're not like teachers, and so on; if we're not working, we don't get paid.

EIR: And on the prevailing wage matter?

Bailey: Well, the prevailing wage issue, in our opinion, is that when there are local tax dollars and tax money being spent on projects, whether it is a school house, or a water-treatment facility, or an interstate or local bridge, then the highest rate of pay, established by the building trades, is what should be paid. The taxpayers' dollars are involved, and so if you pay the higher rate, then that man can go out and pay for his health insurance, or buy a house, or pay his taxes.

It's the simple economics that Clinton had. If you fertilize the tree, then it grows, sprouting limbs and leaves. It is a constant battle with the State, to try to keep the prevailing wage in effect, and Davis-Bacon rates. If contractors, using private money, build with cheap labor, which will be non-union workers, they can build it, they can get it done, but it's not the quality. . . .

EIR: That raises another question which Mr. LaRouche has focussed on, what you might call the Army Corps of Engineers or draft approach to educating people. What kind of

training does a person have to get to become a skilled ironworker? And does the union have training programs?

Bailey: My local, and all the locals in the United States, require four years of apprenticeship training. After the four years, you become a journeyman. At the end of your apprenticeship, here in my local, the member receives an associate's degree in applied science through the Ivy Tech college. He is required to take college-level courses, which helps him to become a well-informed better worker. He's also required to take 225 classroom hours, and approximately 1,000, hands-on hours in the field, working, before he can advance year to year.

The program is done all right at our own facility. What I do is hire a professor or instructor from Ivy Tech college. They come to my facility where we have our training. There are classrooms for the book part of the program, and in the back of the facility we have hands-on areas where they do the hands-on work. This is done twice a week, four hours a night. Our apprenticeship training fund pays the Ivy Tech personnel, and once the young apprentice completes all the requirements, then he gets his associate's degree in applied sciences. Most of the building trades require that, electricians, pipe fitters, and so on. We are trying to educate our people.

EIR: Pensions are in crisis now. What's the situation with your union's pensions?

Bailey: Our fund is a multi-employer-type trust fund. We're in good shape, on solid ground. But it is something we have to monitor all the time, because we know that we're not going to be like a United Airlines, or Delta which is going to be next, I'm sure, because we cannot go to the Federal government and get relief if we have an unfunded liability issue.

EIR: Why do you say you can't go to the government?

Bailey: I believe under the ERISA laws that multi-employer trust funds cannot go to the government for relief.

EIR: If you had your two U.S. Senators sitting in your office today, what would you tell them they have to do back in Washington?

Bailey: They need to go back to Washington and put a freeze on medical costs; put a freeze on prescription drug costs. And they need to get this country back to work and bring our soldiers home. Let's rebuild America. We've got those young men and women over there fighting, and when they come back home, they're not going to have a job, and that's wrong.

EIR: Anything else you'd like to say?

Bailey: It is what we need to do, like what LaRouche has always said: We need to rebuild the country. Just as any common farmer can tell you, when you plant your corn, you put a little fertilizer down there and it makes the corn grow. We've got to go from the bottom up, not the top down.