

Verizon negotiations continue as unions reject strike

Shannon Jones
18 August 2003

Negotiations between Verizon Wireless and its unions, the Communications Workers of America (CWA) and the International Brotherhood of Electrical Workers (IBEW), have dragged on more than two weeks past the official contract expiration date.

Union leaders ignored the August 2 contract deadline for 80,000 Verizon workers and continued negotiations. They have rejected the threat of a strike, and instead advanced the toothless proposal for a consumer protest, collecting names of people willing to switch their service to AT&T.

Talks have reportedly stalled over the key issues of job security and health care. Verizon spokesmen, however, earlier had claimed all major areas of the contract near finalization. A company spokesman expressed satisfaction with the talks, declaring, "We're getting some recognition in this contract that the business needs to change."

The Verizon negotiations are following a well-worn path. It is taken for granted by management and the CWA and IBEW leadership that workers will be forced to accept more job cuts and a further erosion of their working conditions and benefits. The chief concern of union officials is to secure the income of their apparatus in the face of a stagnant or declining dues base. At the same time, the CWA and IBEW are seeking a formula by which a sellout of workers' interests can be presented as a victory.

Management is pressing major attacks on jobs and benefits. Verizon, the largest provider of local and wireless service in the United States, is demanding the right to transfer up to 8 percent of its workforce each year. It is seeking to force retirees and active workers to pay a larger portion of health care costs, to cut sick leave and remove limits on overtime.

When Verizon workers struck for 18 days in 2000 the CWA and IBEW sabotaged the walkout, ordering 50,000 workers in the north bargaining unit back to work before workers in the south bargaining unit had reached an agreement [*See* "US telecom union ends strike at Verizon"] The result was a regressive contract that did not seriously address the issues of stress and overwork. The agreement gave management greater ability to transfer workers to new work locations and gave it a free hand to cut thousands of jobs.

The current contract talks are a further illustration of the

repudiation by the AFL-CIO union federation of any connection to past traditions of labor militancy and working class solidarity. In place of the old principle "No contract, no work," the AFL-CIO and its affiliated unions have substituted "No contract, so what?"

While the CWA and IBEW were deciding to allow the contract to expire without a strike, their representatives were in Chicago for a meeting of the AFL-CIO executive council. The fate of 80,000 Verizon workers was little more than a footnote on the executive council's agenda, which was dominated by interviews with prospective Democratic Party presidential candidates.

The decision to continue negotiations with Verizon is being presented by the unions as a strategy to pressure the company, which has hired strikebreakers in the event of a walkout. In reality, the refusal to call a strike reflects the union leadership's prostration before the company and fear of unleashing any movement of rank-and-file workers. Permitting talks to continue indefinitely disarms and demoralizes the workers, while emboldening management and giving it more time to train and prepare its strikebreakers.

In whose behalf is the union leadership really bargaining? CWA President Morton Bahr, IBEW President Ed Hill and their associates represent a privileged and wealthy social layer with intimate ties to the corporate bosses and the government.

According to US Department of Labor filings, at the end of fiscal 2001-2002, the CWA, the largest union at Verizon and bargaining agent for 60,000 workers at the telecom company, controlled a treasury with net assets of \$373,118,909. Of this amount, \$80,421,265 was in US Treasury notes and another \$124,442,120 was in marketable securities.

CWA President Morton Bahr drew salary and expenses of \$209,383. CWA Secretary-Treasurer Barbara Easterling took in \$179,648. The combined take of the top seven CWA officials in salaries and expenses was \$1,185,020.

The CWA's bargaining partner, the IBEW, reported net assets of \$458,527,099 in fiscal 2001-2002. IBEW President Ed Hill took in salary and expenses totaling \$245,435.

Any hint of militant struggle is anathema to these bureaucrats, because it cuts across the web of collaborationist structures established by the unions with corporate

establishment—corporatist relationships that constitute a critical source of the privileges of the union apparatus. These range from seats on labor-management committees overseeing health care and other benefits, to joint programs on education and training, to Bahr's seat on the board of directors of United Way, the nonprofit organization that disburses millions in charitable contributions deducted from workers' pay.

Until a few months ago, Bahr was the CWA-designated representative on the board of directors of US Airways. The CWA obtained a board seat in exchange for concessions it helped impose on the 9,000 service workers it nominally represents at the bankrupt air carrier.

The CWA president is also a member of the board of directors of the Union Labor Life Insurance Company (Ullico), a private financial company run by the AFL-CIO. Bahr was among the Ullico officials implicated in an insider stock-trading scheme that netted board members more than \$6 million. Bahr himself reportedly gained \$27,000 on sales of Ullico stock.

One of Ullico's prime investments was in Global Crossing, a nonunion telecom company that went bankrupt after it was caught doctoring its books. [See "Ullico: The AFL-CIO's corporate scandal"]

The identification of the interests of the CWA bureaucracy with corporate management was displayed recently when Bahr, with a contract deadline approaching at Verizon, took time off to testify before Congress. Bahr, with the top Verizon attorney at his side, spoke against the awarding of government contracts to long distance company MCI, a nonunion Verizon competitor. The CWA has joined AT&T, Verizon, Bell South and other telecom companies in an effort to force MCI, which is now under bankruptcy protection, into liquidation.

This reactionary campaign, driven by the narrowest of pragmatic concerns, threatens the jobs of 55,000 MCI workers. It can do nothing to further the interests of Verizon workers. It serves to split the working class, pitting unionized against nonunionized sections, to the mutual detriment of both. The most likely result of a collapse of MCI will be a spread of Verizon's nonunion operations and stepped-up attacks on CWA members.

Along similar lines, the CWA has collaborated with telecom companies with which it has union contracts to help them monopolize phone service. It has filed numerous legal briefs in support of lifting regulatory controls that prevent former Bell telephone companies from offering long distance service. For example, as recently as August 6 the CWA filed a brief with the Federal Communications Commission in support of SBC's petition for the right to offer long distance service to customers in Illinois, Indiana, Ohio and Wisconsin. [See CWA comments to the FCC August 6, 2003 http://www.cwa-union.org/issues/telecom/cwa_comments/8-6-03.pdf]

The AFL-CIO's lack of any independent policy or vision is expressed in its virtual integration into the big business

Democratic Party, even as the party has lurched further and further to the right, abandoning any connection to its past reformist program. The CWA and IBEW played central roles in the Clinton and Gore presidential campaigns, with Bahr serving as a "superdelegate" to the 2000 Democratic convention.

None of this has defended a single job or prevented Verizon, US Airways, AT&T, SBC and other companies with CWA-organized workforces from slashing medical benefits and undermining working conditions. However, the policy of class collaboration has provided the union bureaucrats with substantial perks and privileges. This despite the fact that membership in the CWA has plummeted, along with the percentage of the US workforce organized by the AFL-CIO as a whole.

The AFL-CIO has all but halted strike activity. In 2002 there were just 19 strikes involving more than 1,000 workers. That compares to more than 424 major strikes in 1974, at the height of the militancy of the 1970s.

This collapse is not just the product of bad leaders, but rather of the failure of the perspective of trade union reformism and nationalism. The fate of the American unions provides an object lesson of the futility of all attempts to reconcile the interests of workers with the defense of the profit system and the subordination of the working class to political parties controlled by the corporate and financial elite.

Not only the AFL-CIO, but unions throughout the world have proven themselves incapable of defending jobs and working conditions on the basis of their national programs. Their reaction to the rise of transnational corporations has been to bid down the wages and conditions of their own members in an effort to convince the employers to maintain production within their national borders. The result has been an erosion of jobs and living standards for workers and the transformation of the unions into semi-moribund, bureaucratized appendages of the big corporations.

This experience demonstrates the need for workers in the US and all countries to adopt an internationalist and socialist strategy, and build political organizations capable of implementing such a revolutionary perspective.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact