

Verizon Strike: Taking On the 'New Economy'

by Marianna Wertz

The strike by 87,000 Verizon Communications workers, which began on Aug. 6, is, in its basics, a challenge to the industries in the so-called "New Economy" to give their workforce the same fundamental rights which were won with so much blood, sweat, and tears by the union movement in the "old," manufacturing-based economy. The strikers, including 72,000 members of the Communications Workers of America (CWA) and 15,000 members of the International Brotherhood of Electrical Workers (IBEW), walked out after their contract with Verizon expired at midnight on Aug. 5, vowing that no Verizon worker will go back to work until all union contracts are settled with the company.

The strike faces two very difficult problems, however, in taking on industry-leader Verizon, formed this year in a merger of Bell Atlantic and GTE corporations, covering telephone service from Maine through Virginia. The first is, that Verizon, like most firms in the "New Economy," is desperately trying to compete in a globalized, dog-eat-dog world, where throwing out worker rights is the basis for continued existence. None of the new wireless companies is unionized, and Verizon wants to keep its wireless division non-union as well. If Verizon concedes to the strikers' demands, it faces competitors who could swallow it up.

The other problem facing the strikers is that the "New Economy" itself—the speculative bubble-, Internet-based firms and their hangers-on—is threatened with meltdown in the coming weeks. That meltdown will leave firms such as Verizon with no market for wireless communications, cell phones, cable modems, and other such services, as money flows instead into hard commodities like gold and real estate.

Nevertheless, the strike is important in this interim period, in which the expanding speculative bubble is forcing even such well-established companies as the former Bell Atlantic and GTE Corp. to break the old rules and squeeze their workers dry.

'Orwellian'

As Maria Bury, president of CWA Local 2101 in Maryland, told this news service on Aug. 17, the three crucial issues that are still unresolved are forced overtime, stress on the job, and job security. A CWA advertisement airing on radio stations along the East Coast during the third week of August, calls the working conditions at Verizon "a brutally stressful environment," where "sometimes, supervisors even follow

us into the bathroom." The stress, while worst at Verizon's calling centers, is systemwide, said Bury.

The environment is further pressurized, according to the CWA, by "an Orwellian combination" of "computer monitoring—every second, every call, every keystroke is charted" and micro-managed by supervisors who listen in on the calls.

Instead of addressing these conditions, Verizon so far has taken a backward step in the talks by demanding further restrictions on the ability of customer service employees to move into other jobs.

Bury stressed that the workers need public support in order to win the strike, and that in fact, the strike "has nothing to do with monetary value; it's not about us getting raises. It's about fighting for our jobs and keeping jobs in our communities."

Who Will Benefit?

One key question raised by the strike, as Bury noted, is whether the thousands of new jobs created in the "New Economy" are benefitting the communities and families they serve. A new report by the Washington, D.C.-based Jobs with Justice, a union-supported think-tank, indicates that most of these jobs are in fact only enriching the top management.

Workers at Bell Atlantic's wireless subsidiary earn only about 75% of the wages, with far inferior health and pension benefits, of their non-wireless counterparts, who get union payscale at Verizon. The firm offers no employment security and no voice on the job. On average, union workers earn \$672 a week, versus \$516 a week for non-union workers at Verizon.

Verizon executives, on the other hand, like so many of the nation's corporate leaders, are personally cashing in on the bubble. Bell Atlantic CEO Ivan Seidenberg took home \$3.3 million in salary and bonuses in 1999, plus stock options worth \$25 million. He also received a special \$3.8 million merger bonus, and another \$11.4 million for remaining at Verizon after the merger.

This is not because Verizon Wireless is hurting for funds in the bubble economy. Verizon Wireless is the largest wireless company in the United States, with more than 25 million subscribers, projected revenues of \$15.6 billion, and a stock-market value of more than \$70 billion. Despite this, says Jobs with Justice, Verizon Wireless "has chosen a low-road strategy, hawking its services in our communities without reinvesting those revenues in good, secure jobs."

That, in fact, is the story with virtually every "New Economy" enterprise: The quick buck for the top 20%, and increasing stress and misery for the bottom 80%. If the Verizon workers can strike a blow against this pattern, it will have been worth the effort.

As we went to print, talks were continuing between the CWA/IBEW and Verizon. While progress was reported, there was no resolution as yet of the key issues of job stress, forced overtime, and the right of employees to change jobs within the company.