

# IBEW LOCAL 21 FRONTLINE

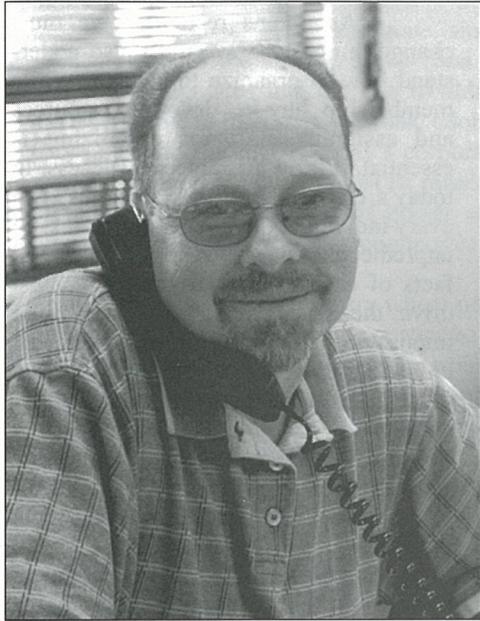


Volume 5, Number 3 • April 2002

JUNE 2002

## President/Business Managers Report Enjoy Summer--You've Paid Your Dues

By Ron Kastner



I hope everyone has a safe and fun summer. Time off with your family is possibly our most valuable Union benefit. The Labor movement, fueled by Unions bargained the concept of vacations, in fact Union contracts provide for more vacation as your seniority increases.

Why do I bring this up you might ask? It continues to amaze me when I hear that some of our members think the employer just gives these benefits away. Employers try to impress upon our new members that they offer these great benefits, so we shouldn't be surprised when they fail to mention that those benefits were negotiated by the Union. Most employers refuse to ever use the word Union. I was recently made aware of some startling numbers: 50% of our membership has 5 years service or less and the average seniority is 12 years! Granted these numbers are in SBC/Ameritech but I'm sure this pattern is

everywhere in the local. Attending Union meetings is a form of education that I think needs to be used more often. Younger members have been showing up more and that's good. It's about being in the know by getting and staying involved with our local Union. And we need to correct this lack of knowledge by taking the time and spending the money to educate the new members. In the future it will be done.

The big issue at SBC Ameritech is the surplus conditions and the SIPP offers in network and marketing. I know many of you are anxious, but there is language in the contract with regards to how the SIPP is to be offered in Article 30.21. If the surplus is not satisfied through the contract language the Union and the company will negotiate further to try and resolve this condition. We will do everything possible to avoid a layoff. Layoff language and the aforementioned SIPP language were negotiated by our Union to protect jobs! Not given to you by the employer.

As I explain regularly at Union meetings, these job losses are a result of SBC Ameritech losing access lines to the competition. Most competitors have an unfair advantage because they are not paying industry standard wages and are not regulated.

A lot of people tend to forget that companies like ATT/Broadband are telecommunication companies, and when merged with Comcast will become one of the largest telecommunication companies in the country. Brothers and Sisters, this is a serious threat and when I see the access line losses I know this is not just a concept or theory this is a reality.

The solution is a simple one—we need to equal the playing field by organizing the

unorganized and improve on the contracts that we currently have with all employers. We need to work with employers on legislative issues that benefit our members and help level the telecommunication playing field. When the field is leveled and it's a fair fight we all will benefit more fairly, guaranteed.

In closing, Local 21 members are rarely in the news, but in the recent tragic murder of a woman on Chicago's south side, a City of Chicago 911 dispatcher was put on administrative leave while the city investigated. The Union responded quickly with legal representation and our member was exonerated. What would have happened if this member was not represented by a Union?

As always,  
In Solidarity

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# FRONTLINE

## IBEW LOCAL 21

### Official Bi-Monthly Publication

International Brotherhood  
Of Electrical Workers

Local 21, AFL-CIO/CLC

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**Member:** Illinois State Labor Press Association, and International Labor Communications Association, AFL-CIO/CLC

## Organizing: Labor's Most Critical Challenge

By Tom Hopper, *Business Representative*

John Dunlop once drew the analogy between ocean waves eating away at a cliff and the broad social movements within our nation's history. Dunlop, a former United States Secretary of Labor, pointed out how ocean waves never stop pounding away at the cliff, and nothing thing seems to happen for a long time, until one day the cliff falls in. Dunlop continued by pointing out that throughout history, the surge of power gained during the growth periods of organized labor came just as well.

**"The most critical challenge facing unions today is organizing. There is much we can do to strengthen ourselves for today's battles—but without a massive increase in union membership, we cannot prevail in the long run." - AFL-CIO President John Sweeney**

We need to remind ourselves never to forget how the long-established unions of today were *not* organized overnight. Efforts to organize many of our nation's industries took several decades to be successful. We must always remember that gaining power at the bargaining table means we have to first gain numbers in our membership, and that means we must organize the unorganized in our own industry. Organizing the unorganized, however, is not to be expected; it positively will not just happen overnight or with the flick of a switch. Unions must make it happen.

That being said, how do we get there? Why do we have to? Who is going to do the work? Just a few years ago, the voices of many local and national leaders argued that the unions' only responsibility is to take care of the existing members in our organizations and not spend resources on organizing the growing number of non-union workers around us. The reality and the hard numbers of labor's decline have now silenced the voices of leadership who had proclaimed organized labor to be in good health. The debate has quickly transformed from whether to make organizing a priority to how can we best achieve a successful organizing plan—one that grows the union—within our own organization and within our own industry.

Throughout America, hostile, rabid employers and their hired union-busting law firms, along with our country's weak and poorly enforced labor laws, have made union organizing even more difficult than most can truly remem-

ber. At last years' AFL-CIO Convention, President John Sweeney shared disappointing news and statistics with the delegates: "We have declined in density from representing one worker in three to now representing one worker in eight." While discouraging, the situation in organized labor is not without prospect. Independent polls show that 30 million to 40 million unorganized workers say they would join a union if they had a free choice. According to a recent study, cited by the AFL-CIO, if private-sector workers were able to form or join unions without management interference and retaliation, union membership would triple in the United States to more than 50 million.

As unions recognize we must change to organize, we must also understand how to organize to change. While membership buy-in, devoting resources and assigning staff for organizing is essential, it is no guarantee of success. In today's environment, the tactics used in every individual organizing drive must be unpredictable and the demographics and facts of each individual campaign must drive the strategy to win. Even more important is the involvement of current union members as volunteers. No one organizes workers better than other workers.

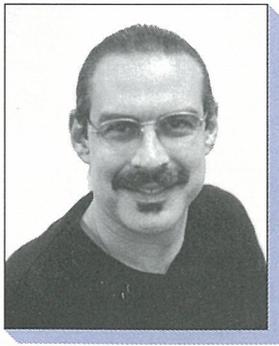
Well-trained member volunteers are essential to every organizing campaign, because they can more readily get the ear of non-union workers in visits to their homes, where they can compare notes about wages, benefits and working conditions. A good plan simply won't work. If any local or national union has transformed themselves into an organizing model, are backed by the entire membership, yet maintains a shortage of trained organizers, the downside for that organization was their failure to properly plan, and then fewer companies can actually be targeted for organizing. The upside is this - at Local Union 21, with quality leadership and direction, improving two-way communications, education, membership mobilization and involvement, and by understanding what it will take to win, we recognize that some of our biggest challenges are yet to come.

### Editors' Note

We humbly apologize for mis-spelling Steve Unterfranz's name in the last issue of Frontline.

We accept contributions on disk, in Word format (paper copy backup is a good idea) or simply paper copy. You can also e-mail attachments. Please send to both addresses as insurance:

Nancy North [north@atbi.com](mailto:north@atbi.com) & Larry Moeller [soxr1@earthlink.net](mailto:soxr1@earthlink.net).



I started my career in this industry in the Summer of 1978, when the economy was in a nosedive. Double-digit inflation was the norm and interest rates

were triple what they are today. But telecom work was steady. I remember how thrilled my Dad was when I got the job. "Everybody needs telephones," he said, recalling his brushes with unemployment in the pharmaceutical industry. He was right then and, if he were still alive, he'd still be right.

Of course, my Dad, gone since 1991, never saw the advanced evolution of this now-deregulated industry. He wouldn't have been able to fathom the Enrons, Global Crossings and Lucent's of today's corporate world—an industry that has lost its mission of public service in pursuit of power and profit. SBC would be barely recognizable to him.

We work in an industry where people who know nothing of public service have "cooked the books" to seriously overbuild networks (Global Crossing) in pursuit of a fast buck; where start-up companies are extended credit for new equipment at astoundingly liberal terms only to go belly-up and leave formerly strong companies (Lucent) scraping for their very survival.

Our industry began its slump late-Summer last year. After September 11th it went into a tail-spin as uncertainty changed everyone's priorities. Although technically, the economy is still very strong, telecom has remained mired in the worst recession since the Reagan years (1981-1989). Everyone still needs telephones (and advanced services, network capacity, etc.) and most of our Local 21 corporate employers are strong enough to weather the storm. Customers still want what we have to sell, unfortunately it's not at the levels to sustain our recent employment numbers.

At AG Communications Systems (AGCS) we have had 82 layoffs out of the nationwide workforce of 435. Since AG hired 300 new employees since 1997, everyone who was laid-off had two years or less of service. Management ranks were hit even harder from a percentage perspective.

Unfortunately, in the last round of lay-offs (45) at AG, the company exercised its prerogative under the contract to pick and choose from the lower seniority groups, going more than 130 slots from the bottom of the list to get their numbers. This smacks of cronyism to many of our laid-off sisters

# Telecom Still In The Dumps

By Michael Sacco, Business Representative

and brothers. It does to me for that matter. We fought it and were able to save a couple of jobs, but our hands are tied on this. We are advising our members who feel they have been discriminated against during this layoff to pursue legal remedies through the courts or the EEOC.

At the Lucent Network Software Center (NSC) in Lisle, IL. Eight computer operator/techs received an early retirement offer and enhancement. All eight took it. The work was obsolete and those slots will not be refilled. Also the company signaled its intent to outsource the work of the Prototype Model Shop to Celestica in Oklahoma City. We negotiated a "full effects package" that gives all 17 of these pension eligible workers an \$11,000 bonus and up to 104 weeks of pay in addition to their pensions, 401(k) and health care. Good luck for a long, healthy and productive retirement to all of these members.

Core (non-cable) AT&T members overwhelmingly ratified a new 18 month agreement in May. This contract was negotiated nationally by the System Council T-3, a group of 14 IBEW locals from across the country and includes substantial wage and pension increases. We had 100% return on the vote. This is good news, considering how anti-union the company has become—even in its non-cable units. Unfortunately, I believe this is the last negotiation for AT&T, as we know it. In my opinion, the remnants of this once-proud company will be sold by the expiration of this contract. What a waste...

As reported before, members at JULIE ratified a new agreement recently. Unfortunately, the hard bargaining has translated into a hard-ass attitude by management, particularly with the grievance process. We think this is a mistake. But we'll play it as we have to—it's usually more fun that way...

At the Interconnect contractors, the situation represents the worst spot in our Local. We have nearly 100 members out of work or on the books at other locals. Employment here is at historically low levels and doesn't appear to be improving with the construction season. Unemployment compensation has been extended, and all out of work members should re-apply if their benefits ran out. There is a little bit of work in some other locals in the area, but you must be a journeyman with your dues paid

up to sign Book 2. Call me if you have any questions.

SBC Datacomm is steady with many workers on out of town assignments. There has been no talk of layoffs lately and things are picking up a bit.

At Avaya things are uneven. The company made a one-time offer of an enhanced voluntary termination package and five Local 21 members accepted; one Software Associate and four Senior Techs. Unfortunately, one of those techs was Chief Steward Ed Abell. Brother Abell gave long and dedicated service to Local 21, and before that, Local 336 members. He will be missed. Thanks for everything Ed; good luck and Godspeed brother.

Fortunately, President Kastner didn't leave our Avaya folks without shop floor leadership. He quickly appointed Mick Stangle, a Senior Tech, to replace Ed Abell. Mick has hit the ground running and is doing a great job for the members already.

On the dark side at Avaya, the company is trying to force off-hours scheduling on us that, we believe, violates the contract. We are fighting this one all the way. We need everyone's help in resisting this short-sighted move on the company's part. Tell your boss to quit messing with our Agreement. Tell them how you feel about this crappy deal and remind them that they are seriously jeopardizing a good relationship with their very dedicated and productive work force.

Since it's now Summer and my heart is light, I want to close with a couple of pieces of good news from Avaya; the Exponence work lost in the spin-off is returning to Avaya workers finally. This should improve the work situation considerably. Also, the Service unit rollout in Michael Dennis' group is exciting and creative. I can't believe it—but for once the bosses have a good plan and the resources to back it up! We look forward to a lot more work if this thing flies. Have a safe and fun Summer!

# April Cope Report

## Bush Pays off Buddies on Injured Workers' Backs

By Larry Moeller & Rosetta Shinn, Committee on Political Education

More than a year ago, the Bush administration successfully repealed the Occupational Safety and Health Administration's new ergonomics safety regulation. It was more than 10 years in the making, and these protections would have prevented hundreds of thousands of injuries each year. This pleased many of his boss-buddies, including UPS and the meatpackers among many other opponents of the standard.

When the ergonomics standard was overturned, President George W. Bush promised to take a comprehensive approach to ergonomics that would protect workers. But after more than a year of delay, the administration announced a "plan" to pursue a *voluntary* approach that provides no real protection for workers.

The Bush "plan" does not include a new ergonomics standard—only a promise to develop voluntary guidelines at some future time. Only one industry—nursing homes—had been identified for attention. There is no set plan to do anything for the millions of other workers who face serious hazards and suffer from painful injuries. The Department of Labor said it will expand outreach and training on ergonomics, and identify additional research needs. But how will they fund it since the Bush administration has proposed to slash the budget for worker safety training and job safety research?

Senator John Breaux (D-La.) and Senator Arlen Specter (R-Pa.), along with 25 other senators, have introduced a bipartisan bill that would require the Labor Department to issue a new ergonomics standard within

two years. Protecting workers from the nation's biggest job safety problem should NOT be voluntary. Please contact your senators, in Illinois Dick Durbin and Peter Fitzgerald, or in Indiana Evan Byah and Richard Lugar at 877 611-0063 and urge them to support S2184 to require a new ergonomics standard to protect workers from unnecessary injuries and illnesses.

Ergonomic injuries are the nation's biggest job safety problem. Each year more than 1.8 million workers suffer work-related injuries from jobs that involve heavy lifting or forceful repetitive work.

If you have any questions call Larry Moeller or Rosetta Shinn at the Union office and they will assist you.



On May 23rd the Senate passed a broad trade bill that would give President Bush the authority to reach trade agreements that are largely immune from congressional tinkering but would greatly increase aid to workers who lose their jobs because of foreign competition.

In the Fall of 2001 Local 21 members will remember being asked to call your U.S. Representative asking them to vote NO on the U.S. House of Representatives version of

"Fast Track." That version passed by 1 vote. When the Senate version of "Fast Track" started up we had the same problems, U.S. jobs go overseas, weak health care provisions, not enough money to retrain displaced workers, subversion of U.S. health, safety, and environmental laws.

## Fast Track to Nowhere

By Larry Moeller & Rosetta Shinn, COPE

After weeks of haggling, President Bush supported a compromise that deals with most of Labor's problems in the matter. The prolonged wrangling over the bill indicates a growing reluctance among Democrats and Republicans who represent districts with large numbers of blue collar workers. Recently, steel workers rallied in Washington, D.C. asking our government to stop the dumping of foreign steel on the U.S. market. The imported steel was subsidized by various foreign governments and sold on

the U.S. market at artificially low prices. The result was steel workers laid off and U.S. steel companies filing for bankruptcy.

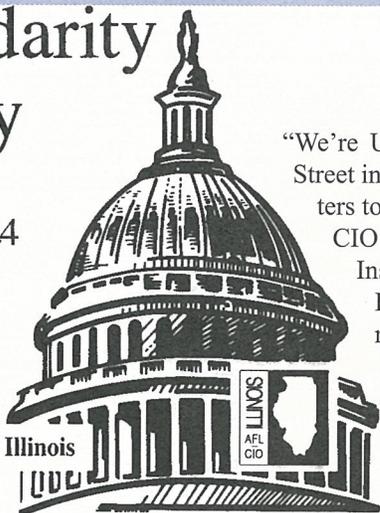
Free trade, more often than not, is a misnomer. The Bush administration had used protectionist measures to help the steel, farm timber and textile industries. The battle will now shift back to the House where both versions will be put together to try and hammer out a bill each party can live with. Call Illinois Senators Durbin and Fitzgerald and let them know Fast Track should be derailed.



# Solidarity Day

April 24  
2002

Springfield, Illinois



## Springfield Solidarity Day

By Nancy North, Area Steward

“We’re Union—We Vote!” was the chant when 10,000 union members jammed Second Street in front of the state capitol in Springfield. Over 200 IBEW Local 21 brothers and sisters took a vacation day to attend the Solidarity Day Rally sponsored by the Illinois AFL-CIO on April 24th to send the message to lawmakers that we want our voices heard. Inside, the House and the Senate were wrangling over competing budget proposals. Republicans wanted to lay-off state employees, while the Democrats proposed reducing business tax breaks and the sale of \$2.6 million in bonds against the state’s share of the national tobacco settlement.

Illinois AFL-CIO President Margaret Blackshere opened the rally, “Whether it’s proposals that seek to balance the budget on the backs of workers or Senate President Pate Philip’s complete lack of regard to their concerns, workers have had enough. Working families deserve better and we’re here to send that message straight to our lawmakers.”

Union speakers from the IBEW, the teachers’ union, the airline flight attendants’ union, AFSCME, and the steelworkers addressed the crowd. One Union speaker reminded us all, “We built the middle class. Business is wrong to claim they can’t afford to pay a living wage, and ship our jobs overseas.”

Politicians who support working family issues like job safety, elder care, and education, addressed the thousands of Union brothers and sisters. House Speaker Michael Madigan spoke about a budget deficit that impacts state jobs and services, followed by Senate minority leader Emil Jones, who said, “Whatever happens, it’s the worker who pays.”

Democratic candidate for Attorney General, Lisa Madigan spoke briefly before returning to work inside the capitol building. Democratic gubernatorial candidate, Rod Blagojevich focussed on education. After the rally, he came down the steps and greeted the IBEW Local 21 members at the front of the crowd.

President-Business Manager Ron Kastner summed up the day when he said, “It’s great to see such a large turnout of Local 21 members willing to take a day off to bring a message to our government. We must be more engaged with our political system. What we win at the bargaining table we can lose in the Legislature. Our members understand that and they’re willing to do the work. Next time, I hope everyone brings a friend!”



**Local  
21 members  
at the  
Capitol**



# THE POWER IS IN YOURPOCKET

By *Jacque Fields, Treasurer*



The membership of IBEW Local 21 has changed over the years. In fact, at least 50% of the membership has only five years of service or less. Many of you have never

been in a Union before and are not quite sure what unionism is all about.

What is unionism? Ice cream, hot dogs, apple pie and unionism. Well, OK, maybe that's going a little too far, but just what is unionism? The dictionary defines a union as an association of workers seeking to improve the economic and social well being of its members through group action. It's more. I like to think of unionism as "POWER OF THE PEOPLE." Labor unions have an effect on everything from the price of a new car to the education of our children. They also figure prominently in politics, whether it is at a national or local level and they can affect the outcome of an election.

Unions have been around for quite awhile, since the early nineteenth century. The earliest organized workers in the United States appeared in New York and Philadelphia in about 1800. They were printers and shoemakers. I mention all of this, because I want to convey to you the importance of being involved in our Union.

As an officer of Local 21, I have the opportunity to get to know the staff of our Local Union. It's a pleasure to know some of the most dedicated members of this Local. These people have chosen to do more than just work for their individual employers; they also make sure that our contract—the agreement made between the workers and the employers, is followed and adhered to by the Company. When fighting the challenges from the Company, I have seen these folks, starting with our President-Business Manager, throughout the entire hierarchy, to the steward, express many emotions. I have seen them express anger at an injustice. I have seen them elated from triumph. And yes, unfortunately, I've also seen them saddened by defeat.

Stewards make an invaluable contribution in the Local. Many stewards are some of the most dedicated, hardworking folks you can find. They are out there, in the "trenches." They carry their most effec-

tive weapon with them wherever they go. What is this powerful weapon? IT IS OUR CONTRACT!

I've been a steward in the Chicago Heights Collections office since 1997, and I've found that it's critical for a steward to have the contract with them at all times to use as a reference tool. When a member has a concern, and seeks help from their Union steward, the contract is the first thing that should be referenced for information. An experienced Union steward knows that the contract is his or her most important resource. It gives members the assurance of being treated in accordance with that contract. In fact, there are times when some managers will seek the assistance of a Union steward to make sure that what they are about to enforce, or to seek from an employee, is within the parameters of the contract. If you think something is unfair, and the steward tells you it is in the contract, ask for the Article number and you will receive the information from the steward with confidence.

If, for whatever reason, a Union representative at any level answers your questions without referring to the contract for the information, question this. Personal opinions cannot replace the contract. These representatives of the Union are there to guide you, the member. This is done with the assistance of the contract, as well as with the guidance of the Business Representatives, Assistant Business Manager and Business Manager of Local 21.

**GET INVOLVED.** If there is no steward at your work location, consider becoming one. You also have access to the Union office at the phone numbers listed in this newsletter. The best way to get to know many of the Union staff is to attend one of the seven unit meetings held monthly. Without YOU there would be no UNION. Without the Union there would be no UNITY. Without UNITY there would be no STRENGTH.

You see, the "POWER IS IN YOUR POCKET." It truly is. Whether it's pulling out your "union" credit card to purchase that "union made" appliance, or hiring that "union" electrician, to pulling out your voters card to vote for that "union friendly" candidate. **YOU DO HAVE THE POWER.** And united, that power can be awesome. Use that power. Think unionism. Vote for "union friendly" candidates....Buy Union....Buy American....Keep us strong.

## Benefits Report

By *Linda Corcoran,*  
*Benefits Coordinator*  
& *Recording Secretary*

Local 21 has agreed to move up the merger of the Ameritech Savings and Security Plan with the SBC Savings and Security Plan from January 1, 2003 to the September 2002 time frame. The SBC plan allows investments in more funds, more pre-tax contributions and earlier vesting (owning) rights to the company's matched funds, so we felt the earlier merger to be advantageous to members.

Some highlights of the merger include:

Investment options in eight (8) funds rather than the existing (5).

Pre-tax contributions increase to IRS limits (currently \$11,000) instead of a 10% cap.

Immediate vesting for employees on the payroll as of the merger, rather than a three (3) year wait.

Daily valuation rather than monthly.

With the merger, comes the elimination of the DTP Fund and the IBEW Fund. Very soon, participants in those funds will be notified of this elimination; and the options they have available. If no action is taken prior to the merger, the funds will automatically be transferred into the Interest Income Fund, one of the new funds available. We have agreed on the transfer to the Interest Income Fund, rather than SBC Shares Fund, as it is more stable with less risk. This will only happen if you make no choice on your own to choose another fund.

The company will begin sending communications to work locations shortly. We will work with them to make sure the communications are clear and provide you with enough information to make educated decisions as we make the transition from one plan into the other.

There are no changes in how much you can contribute to the plan or any changes to the percent matched by the company. Those remain at a maximum in contributions with 6% matched by the company at 80% per dollar.

## Downstate News

### Vermilion County Public Employees Make Gains

By Jim Foster, Business Representative

Last November the 200 IBEW Local 21 brothers and sisters employed by Vermilion County, and the Vermilion Manor Nursing Home ratified a new three year contract. It provided for an annual 3.5% raise and some medical benefit improvements, but the process of negotiation and ratification took over a year. The members rejected the first proposal, and the snail's pace of the negotiations resulted in the participation of a federal mediator.

Over six months later there are still questions and complaints about the contract voting procedures, so the following changes will take effect for the future.

1. Prior to the opening of negotiations a meeting will be held for IBEW Local 21 dues paying members, to discuss their major concerns and make a wish list for the negotiating team.
2. During negotiations, a meeting will be held to update the members on progress.
3. When a tentative agreement or a final offer is reached, a meeting will be held to discuss the offer.
4. The date of the vote will be posted two weeks in advance, with contract updates available at the time of the vote. Stewards will be present and informed on all contract issues in order to answer questions. The Local is looking at the possibility of a mail ballot. However, if Local 21 records do not show someone as a dues paying member, or your correct address is not on file, you will not receive a ballot. No one will be allowed to sign a membership card and vote the same day.
5. If you do not have a Local 21 Union card, but are paying dues, not fair share, contact your steward and we will correct the problem. It is the member's responsibility to notify the Local 21 Union office of a change of address.

**ALL MEETINGS WILL BE FOR DUES PAYING MEMBERS ONLY**

**CARD CHECK WILL BE CONDUCTED AT ALL MEETINGS**

**NO CARD—NO ADMITTANCE**

**WE NEED STEWARDS**

If there is no Steward in your department, and you are interested in helping to represent the members in Vermilion county, please contact DORIS HALLS. A Local 21 representative will meet with each volunteer to review the job responsibilities. Training seminars are conducted in Downers Grove, Illinois at the Local 21 office.

#### Charter Communications, Maryville Illinois

As Frontline goes to press, the next scheduled contract meetings with Charter are June 11 and 12. We are in contact with IBEW Local 369 in Lexington Kentucky, who is also in bargaining with Charter, a cable television company. Our team—Local 21 shop stewards Dave Anderson and Wayne Hayden, and myself are coordinating proposals with the bargaining team in Kentucky. When the Bargaining team has any NEW information a meeting will be called in Collinsville. At this time there has been no discussion on financial issues.

**Complete information about all Union Privilege services is available online at [www.unionprivilege.org](http://www.unionprivilege.org).**

## HOOSIER NEWS AND VIEWS

By Dennis McCafferty & Wally Pearson, Stewards of Lake County, Indiana

First off, we'd like to thank *Frontline* editors Nancy North and Larry Moeller for the opportunity to reach our brothers and sisters "on the other side of the border." This article is the first of what we hope will be a long and successful partnership. Our hope is that along with passing on the latest up to date information we can also encourage the rest of our membership to get involved in the future of our union. Our goal is not to embarrass or belittle anyone, but to strengthen and unite the membership, because after all our union is only as strong as its members. Having said that, let's get down to business.

On the organizing of AT&T Broadband front, we cannot more strongly emphasize the importance of organizing this industry, not only to improve their quality of life but also to strengthen and secure ours. When you come in contact with a Broadband employee, reach out and explain to them the advantages of being part of Local 21.

Regarding politics, we ask that you and your families support candidates that have a proven track record in voting for labor and family issues. It's time we elect our friends and defeat our enemies. We know all too well with our regional troubles in the steel industry just how important it is to have the right people representing our interests. You would be hard pressed to find anyone in the area who hasn't been affected whether it be through a family member, neighbor or friend.

Hey brothers and sisters, isn't the grievance procedure a joke? No matter how hard we try to come to agreement on workplace issues the company doesn't seem to take us seriously. It's been suggested in past *Frontline* issues that perhaps one way to address this is to do away with the no-strike clause. Interesting idea isn't it?

In closing we ask our Hoosier brothers and sisters to PLEASE help us. If you have any comments or concerns contact your local steward or the union office. Our hope is to improve the lines of communication so we can serve you better.

# Waving Goodbye to the Invisible Hand: What Enron Teaches Us About Economic System Design

*By Marjorie Kelly*

Sometimes it's the little things that say it all. The little thing that lingers in my mind is the story about Enron's creation, when the original plan was to call it Enteron – until somebody figured out this was the Greek word for “intestines.” There you have it. In the end, the story of Enron's implosion is not about one diabolical company. It's about the guts of our economy.

It's about many gut-level issues that confront us: corporate control of politics, executives getting rich while their company sinks, employees laid off by the thousands, 401(k) plans tanking, messes left by deregulation, a corporate board asleep at the switch. All are themes in the Enron soap opera, yet not one is unique to Enron. The problems the scandal reveals are systemic. The individuals involved may have been uniquely greedy and unethical, but they were empowered by a system that exalted greed as it diminished ethics and accountability.

The most basic issues of Enron are system issues. These come down to two, not unrelated truths: 1) The ideal of the unregulated free market is flawed, and it's time we said goodbye to the “invisible hand” of the marketplace. 2) Managing a company solely for maximum share price can destroy both share price and the entire company. These are foundational flaws in theory, flaws in how we conceive of markets and how we define business success. They are system design flaws. For beyond the juicy tales of villainy at Enron, the deeper issue is why the system lent so much power to villainy, and why there were so few checks and balances to stop it.

A key reason is that we are told – and, more incredibly believe – that checks and balances are bad, because free markets are good. Unregulated markets are ideal. Left free to work its magic, self-interest (ie. greed) ostensibly leads things to work out to the benefit of all, as though guided by an invisible hand. This myth is taught in Economics 101 as gospel truth, trumpeted routinely in the business press, and sold abroad as the cure for what ails all economies. The lie of it has been exposed many times. Think of the Great Depression, the savings and loan crisis, or the collapse of

Asian economies in 1997-98. Unregulated free markets often lead to disaster. Self-interest is an insufficient regulator for a complex economy (Duh). Yet we seem to have to learn this lesson again and again.

Enron is the latest case in point. Consider California's experiment with electricity deregulation. At an Enron Senate hearing, Sen. Barbara Boxer demonstrated how the experiment left the state “bled dry by price gouging.” Jeffrey Skilling, as CEO of Enron, had predicted deregulation would save California \$9 billion a year. But as Boxer noted, the state's total energy costs instead soared from \$7 billion to \$27 billion in a single year. Prices rose a gut-wrenching 266 percent.

Not coincidentally, Enron's stock also shot up. Total return to the shareholders in 1998 was a remarkable 40 percent. The next year, a miraculous 58 percent. And in 2000, a jaw-dropping 89 percent. Deregulation did indeed work the magic it was designed to work, by turning Skilling's stock options into a gold mine – just before it turned the company into rubble.

California wasn't the only one duped by the magical thinking of deregulation. Enron helped convince Massachusetts, New York, and Pennsylvania to deregulate energy markets. And it did the same with Washington.

In 1993 Enron persuaded the SEC to grant it an exemption from the Public Utility Holding Company Act (PUHCA), a Depression-era law that prevented utilities from diversifying into unrelated risky businesses. Enron pursued this diversification, to its disaster. As Rep. Ed Markey (D-Mass.) put it, “If Enron had been regulated under PUHCA, I seriously doubt that the types of transactions that brought this company down would have occurred.”

Strike two against the myth of deregulation came in 1997, when the company won exemption from the Investment Company Act of 1940, allowing it to leave debt from foreign power plants off its books. This led to dubious offshore partnerships, which contributed to the firms undoing.

Strike three came in 1999, when Congress killed the Glass-Steagall Act

of 1933, which had separated commercial from investment banking. This allowed J.P. Morgan, to use one example, to entangle itself with Enron in dangerous conflicts of interest. It underwrote bonds for Enron, traded derivatives contracts with the company, bought stock in the firm, and had a research analyst covering the company (recommending it as a buy until last fall), even as the bank risked billions in loans to Enron. Lured by millions in investment banking fees, J.P. Morgan was left holding the bag on \$2.6 billion in Enron debt. And that's what Glass-Steagall was designed to prevent.

One could go on. Enron successfully opposed regulation for derivatives trading, then used such trades to mask debt. Arthur Andersen helped defeat a proposal to separate auditing and consulting practices, which left it reluctant to challenge a client. Businesses across the board opposed truthful accounting for stock options, which led to over-reliance on options and in some cases inflation of stock prices.

Piece by piece, protections that might have prevented the debacle were defeated. Layer by layer, existing protections were removed. The result was the train wreck of Enron. What's astonishing is not that this wreck occurred, but that – time and again – we bought the deregulation myth that led inexorably to it. We swallowed this absurd fairy tale about some invisible hand.

An earlier generation wasn't so credulous. Those who lived through the Depression saw the absurdity of economic faith healing (“only believe in free markets and all ills shall be healed”). They knew what we have forgotten. Even the editors of Fortune magazine acknowledged, in a June 1938 editorial, that what failed in the Depression “was the doctrine of *laissez-faire*.” They wrote, in language that would get a business editor fired today: “Every businessman who is not kidding himself knows, that if left to its own devices business would sooner or later run headlong into another 1930.”

Or an S&L crisis. Or Medicare fraud. Or Enron.

As though under mass hypnosis, we have denied what we know in our

gut: the theory of laissez-faire is bankrupt. It's a hoax. Why were there so few checks and balances to stop the villainy of Enron? Because we pretended we didn't need them. We believed the hucksters who sold us the elixir of unregulated free markets.

Of course, unregulated markets are never really unregulated. Complex economic interactions need rules. The question is who makes those rules: elected representatives serving the public good, or a financial elite serving only itself.

With Enron, the rules were made by folks like CEOs Kenneth Lay and Jeffrey Skilling, and chief financial officer Andrew Fastow, as well as the financial powers entangled with them. Like all elites, they preferred to run things without public oversight. This is why the invisible hand keeps rising out of the grave. As I show in my book *The Divine Right of Capital* (Berrett-Koehler, Nov. 2001), free market mythology is a smokescreen that disguises the real nature of elite power – much like the divine right of kings. It allows elites to run our economy to suit themselves, without interference, and with a veneer of legitimacy.

Which brings us to our second question about Enron: Why did the system design lend so much power to greed? Because doing so was in the interest of the financial elite, including Enron executives and Wall Street. Lay and Skilling both were “laser-focused” on shareholder gain, which led to their own option gains. They succeeded at this so well – with annual gains of 40, 60, 90 percent – no one asked questions. Those who did were brushed aside, like Sherron Watkins and her memo to Lay. Why disturb the goose laying so many golden eggs?

In the wake of Enron, some have called for closer alignment between executive and stockholder interests. But this close alignment was itself the problem. When we define business success as maximum share price, a soaring price makes it impossible to see problems. What could be wrong? The business is succeeding beyond anyone's wildest dreams. We fail to recognize that managing a corporation with the single measure of share price is like flying a 747 for maximum speed. You can shake the thing apart in the process. It's like a farmer forcing more and more of a crop to grow, until the soil is depleted and nothing will grow. It's like an athlete using steroids to develop more and more muscle mass, until the body itself is destroyed.

The problem with Enron was not a lack of focus on shareholder value. The problem was a lack of real accountability to anything except share value. This contributed to a kind of mania, a detachment from reality. And it led to a culture of getting the number by any means necessary.

If maximum share price is an irresponsible management theory, and deregulation a flawed economic theory, there are better theories already at hand. It's intriguing that the movie “A Beautiful Mind” is up for Academy Awards during the Enron scandal – because its protagonist John Nash won a Nobel Prize for proving Adam Smith's theory was incomplete. Self-interest alone can lead to disaster for all, Nash demonstrated mathematically. Self interest coupled with concern for the good of the group is the most likely to lead to the benefit of all.

Nash's mathematics revolutionized “game theory” and is central to the “evolutionary economics,” which emphasizes that cooperation is as vital as competition. It's a more evolved theory than the invisible hand, more appropriate for an economy that has become more humane than the aristocratic world of Smith.

Viewed through the lens of Nash's theory, the Enron scandal can lead us to question our fundamental assumptions. Do we really believe corporations are only about making money? Or do we care about how they make their money? Do we really care about ethics and public accountability?

If we do, then we need real accountability. We need actual sanctions for ethical infractions, not a flimsy ethics code that the Enron board could waive on a moment's notice, as it did in allowing Fastow to earn millions from off-balance sheet partnerships.

We need checks and balances not only on the side of shareholder value, but on the side of public accountability. That means changing the system design. What a new design might look like is explored at length in *The Divine Right of Capital*, but the concept most appropriate to Enron is the idea of graduated penalties for unethical conduct. Firms caught cooking the books, for example might lose all government contracts. A federal contractor responsibility rule could prohibit the government from contracting with egregious corporate law-breakers. Such a rule was put in place by president Clinton as he left office, but was overturned by President Bush. It should be reinstated and made permanent through leg-

islation.

If Enron had faced the prospect of losing millions in revenues, it wouldn't have waived its ethics rules so blithely. Watkins might have been empowered to approach the board, and the board might have been inclined to listen – since real financial consequences were at stake.

A more serious penalty was suggested by the attorney general of Connecticut, who recommended pulling the license of Arthur Andersen, so it could no longer do business in the state. If all accounting firms – and all corporations – knew they faced this ultimate sanction, they would be less inclined to push the limits. We would start to see ethics and accountability with real teeth.

The ultimate lesson of Enron is that effective system design requires our conscious choice. It cannot be left to some invisible hand. It's time we sent that creepy appendage back to the grave where it belongs.

*Marjorie Kelly is publisher of Minneapolis-based Business Ethics magazine and author of the recently released The Divine Right of Capital (Berrett-Koehler, Nov.2001, www.DivineRightofCapital.com), from which portions of this are adapted.*

*San Francisco Chronicle*



## AT&T Broadband Rally

By Nancy North, Area Steward



**Y**ou had to be there to feel the energy. On April 29th, at the height of rush hour in downtown Chicago, several hundred labor lawyers left their conference and marched behind the IBEW Local 21 banner to the Plaza of the America's off Michigan Avenue.

They poured into the already assembled crowd that included members from IBEW Locals 21 and 134, UFCW 881, the sheetmetal workers, OPEIU, U of I Graduate Union, AFSCME, and representatives from community, religious, and academic groups, swelling the crowd to nearly 1,000.

For lack of adequate words it was called "a mass rally and celebration for the Right to Organize at AT&T Broadband." Again, it became clear that we are not alone in our struggle to organize the underpaid, unprotected workers of AT&T Broadband.

After the music ended, President Business Manager Ron Kastner explained, "The proposed merger of AT&T Broadband and Comcast is going to affect thousands of workers in both of these companies, the communities they serve, and consumers across the nation....In addition to recent cuts of up to twenty percent of it's workforce, AT&T Broadband wants to compete for market share, yet continues to pay low wages, not properly train its employees, contract out work, close down service centers, and generally undercut the Industry Standard the IBEW has helped to set."

Reverend Calvin Morris of Jobs with Justice mourned, "The very lives of workers in our country are sacrificed for profit."

Gil Cornfield, Local 21's own attorney quoted the great Supreme Court justice Hugo Black, "A lawyer's most important job is the defense of our civil liberties."

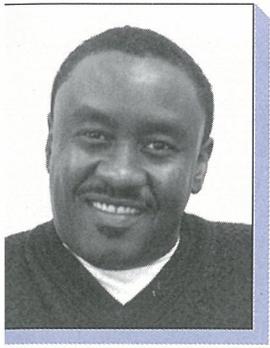
Tim Leahy of the Chicago Federation of Labor explained, "There are over 500,000 union workers in Cook County....and the IBEW provides the power, the light, the innovation....and enables union companies like Ameritech to provide the best service in the industry."

IBEW International Secretary-Treasurer Jerry O' Conner brought greetings from International President Ed Hill, "You are not alone. You have support across the trade union movement, with over 780,000 IBEW workers. Your fight is the future....Do not become a bottom feeder."

The keynote speaker was AFL-CIO Secretary-Treasurer Richard Trumka of the United Mine Workers. He touched on politics because the Bush administration is, "using the war on terrorism to wage war on working families." But his chief topic was AT&T, "It's a national shame that a greedy corporation is fighting the right to organize. There was a day when AT&T was a model employer, but they have increased their operating profit 23% and tripled compensation to CEO C. Michael Armstrong. They are using the merger with Comcast as an excuse not to honor neutrality. We will be here until every worker in AT&T/Comcast is free to join the Union. By God, we're going to beat AT&T together."

The rally ended on a high note as the crowd sang, "Solidarity Forever." This demonstration signaled that organizing at AT&T Broadband was moving into high gear, with the opportunity for a single bargaining unit for the entire state of Illinois.





# Local 21 Takes AT&T Fight To Municipalities

By Jerry Rankins, Business Representative

**A**T & T Broadband had hoped to rubber stamp the transfer of the cable TV franchise agreement to the new company, Comcast. For months, Local 21, along with the AFL/CIO, the BEW Sixth District International Office, AT&T workers, and volunteers have been attending municipalities' hearings in protest of the AT&T/Comcast merger.

Most recently, we greeted AT&T with over 100 protesters at the Chicago city council where intense testimony from resident Kastner, Chicago Federation of Labor Secretary-Treasurer Tim Leahy, AT&T workers, the CWA, and consumer advocacy groups and yours truly. AT&T had mobilized fifty managers, including three Vice Presidents to attend this hearing. One, from Comcast, was obviously embarrassed to hear how AT&T treats its workers, along with unsafe working conditions, and sub-standard service provided to its customers by contractors.

One alderman testified about the lousy telephone service they provide, which prompted him to switch back to SBC Ameritech. Council members were outraged by the discrimination against citizens in their community who work for AT&T by these "sick union busters."

AT&T pays hundreds of thousands of dollars to union busting law firms like Seyforth and Shaw to hurt workers, a pathetic waste of shareholder money, that eventually erodes the family and community. This prompted the cable commissioner to motion for further council hearings to introduce a resolution to condition the transfer on the company cleaning up its act.

Our message is informative and positive, backed by facts from the consumer and working family standpoint. Everywhere we go the cities and towns are welcoming us. Resolutions are being passed nationwide, Boston, Minnesota, Detroit, and Cleveland, placing conditions on the transfer. Every worker must get involved and pay with the fight. The laws are very weak in protecting the worker. We must fight this evil corporation that seeks to destroy workers and their families. This is a legislative battle, from the local level where you can contact your alderman or town council, to the national level where you can call or write your congressman and senators. This demonstrates how very important it is that

when we vote, we identify candidates who voted for labor—legislators who care for the working class or "die." This fight, we will win not at the bargaining table, but on the street, together, WE WILL WIN!

Local 21 welcomes back Ozzie Salazar (AT&T/Jones-Naperville) and John Santillian (AT&T/US Cable Merrillville, IN) both on back to work agreements after unjust terminations.

## Chicago 911 News

Most recently a Police Communicator I and Police Communicator II dispatcher were placed on administrative leave with pay, while the City of Chicago investigated the tragic death of a caller to the Office of Emergency Communication (OEC). Truly, our condolences go out to the family on their great loss. Never, never is there enough praise for the 911 workers at the OEC, Midway (MCC) and O'Hare (OCC) Communications Centers on the great and most important job they do in serving us, "the public".

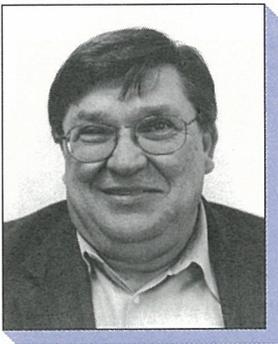
Local 21 realized the seriousness of the case and immediately involved our lawyers, to insure that the call taker received thorough representation. I'm happy to report the call taker was exonerated, however, the dispatcher (not an IBEW Local 21 member) and the responding patrol officers were not.

Brothers and sisters it is most important on any and all investigations, that you ask for union representation. Local 21 proudly represents all its members.

With grave concern I must report that three workers with over twenty years of service have been terminated. All are under appeal, Hopefully I'll have better news to report on these cases in the next issue.

Remember together we stand, divided we fall.





## Alert Local 21 Member Averts Disaster

By Jim Kassing, Business Representative

There are no shortcuts to safety. We commend Brother Dennis Schwichow, a facility lead engineer with Johnson Controls, for his persistence in correcting a potential safety hazard at the Cicero Central Office on 26th Street, which houses the I&R dispatch center and the cable repair center. The air conditioning system had been recently re-engineered, but the system was losing water. Dennis was called out, and traced the problem to a valve designed to prevent the flow of chemically treated water from the chilled water air conditioning system back into the fresh water system. It was the wrong valve!

The air conditioning system had been engineered improperly and water was leaking back through the valve. Brother Schwichow refused to turn up the air conditioning system until the proper valve was installed, because once the system is up, it's pressurized, and more chemically treated water would be forced back through the improper valve. For two weeks, the Union safety committee and the Business Rep for the building, Steve Unterfranz, applied pressure, until the contractor who did the installation relented and installed the proper valve.

In other safety news, SBC Ameritech has agreed to a temporary fix to assure the safety of technicians entering Closed Environment Vaults (CEV's), for underground cable access. Several years ago, Johnson controls stopped doing the preventative maintenance on the vaults protective equipment, air monitors, and intake filters. Management at SBC Ameritech claimed they thought the prevention work was still being performed. The Humane Society objected to the low-tech solution of bringing canaries into the CEV's. For now, the DARRT crew has assumed the responsibility. This was accomplished only when President-Business Manager Ron Kastner called Dennis Harris, Ameritech Network vice president. Other safety and environmental equipment, such as the air conditioning system and their PM's still need to be addressed.

The Safety Committee is addressing several other issues. Are proper separa-

tions being used when AT&T's places cable in joint trenches with electric cables? What about the dust created when technicians drill through splice case end plates made of NORYL resin? Closing on a positive note, laboratory test results show the water to be safe at the Lake Shore C.O. in Chicago.

## Local 21 Key Chain Found in Ohio

A set of keys belonging to a lucky Local 21 member or a family member was found in the parking lot of a Country Kitchen in Brookville, Ohio. A good Samaritan called the Union office and is mailing the keys to the Local 21 office in Downers Grove. The key chain had a Smurf attached to it and two other items. To claim the lost keys call Barb Kossak and identify two other items on the key chain. Barb can be reached at the Union office 630-960-4466 x 237.

## Johnson Controls Update

By Jim Kassing and Harold Hess

Local 21 Business Representatives, Kassing and Hess, along with stewards Dennis Schwichow and John Dembowski meet monthly with Johnson Controls management to study and make recommendations on matters presented to the Joint Advisory Committee. We discuss issues related to the collective bargaining agreement and any of the company's plans or practices affecting the educational, health, welfare and social status of the members of Local 21. If required, matters regarding technological change are reviewed by the Joint Advisory Committee.

A safety award program was approved, but the awards are taxable as income. The award will be a gift card redeemable at local vendors.

It's important that workman's compensation accident reporting be done in a timely manner.

When working inside buildings, caution must be taken to prevent creation of odors or other situations that could result in the disruption of business or cause evacuations.

Management is pursuing a new vehicle leasing agreement. In the future, vehicles will not be leased from or repaired by Ameritech. Also vehicle types will be matched to the job requirements, for example Mini Vans, One tons or Three quarter tons. Future leases will be made through

General Motors or a minority contractor.

Johnson Controls' role, regarding CEV's and SLC's will not change for now. We will monitor and respond to alarms, but will not do PM's at this time.

A budget does exist for training; you can request training where you feel you need it, but approval has to be given by an O.M. or field manager.

Roof inspections will be rescheduled and be performed by F.E.'s instead of O.M.'s. This resolves several pending grievances.

Rounds will be replaced by new operational checks, PM's. Sub area meetings will provide details.

Prioritization of calls and dispatch priority of customer calls will be reviewed by the Detroit call center.

Other notable discussions

Advisory committee member, Bernie Reber is recovering from back surgery and won't be able to rejoin us for about 12 weeks. Get well soon, Bernie. Also, a safety committee member, whose name I won't mention, was injured in his home when he fell from a chair while attempting to change a light bulb. We are reminded by this incident that most accidents do occur in the home. So let's work safe at work and at home.

# SOLIDARITY COMMITTEE COMES TOGETHER TO BUILD UNION

A recurring theme at Union meetings is "how to get the members more involved with the Union." In an effort to reach out and raise the awareness of every member about the value of what they already possess—Union membership—President-Business Manager Ron Kastner established a solidarity committee. Solidarity is not something we only need to take out and dust off every three years at Ameritech contract time. Solidarity with our Brothers and Sisters is something we need everyday.

We are working on several things to build stronger solidarity within the Union. Our first project was a clothing catalog of union logo, union made clothes (Thank you SBC Ameritech for reducing the clothing allowance!) Despite this fact, we see more and more of it being worn. Wear it with pride, it makes a difference.

The vacation ads often promise that the family who plays together, stays together. Not that we believe everything advertising promises, but it would be good to spend time with our "work" friends away from the stress of the job. We have organized golf outings for two Saturdays in August at different locations. Both will be followed by a picnic, so those who don't golf can join us for some fun.

One is south at the Chicago Heights Park District on August 17th, first tee time is 9am. It costs \$18 per person for 9 holes and a cart with only 13 tee times for 52 golfers. The picnic is at 1pm at Bloom Township Memorial Park and includes a chicken dinner. RSVP for both by August 1st.

One is north at Randall Oaks Golf Course and Picnic grounds on August 31, first tee time is 11 am. It costs \$54 per person for 18 holes and a cart, with only 20 tee times for 80 golfers. The picnic starts at 1pm on the picnic grounds and also includes a chicken dinner. RSVP for golf by July 31st, for the picnic by August 16th.

Money must be paid to reserve your tee time, and RSVP flyers are on pages 18 & 19. We are hoping everyone can come and relax with our Brothers and Sisters.

We are also studying a downstate bowling party for October, as well as other

## ACI Members Stand United for New Contract

By Kevin Curran, Business Representative

The contract between IBEW Local 21 and Ameritech Communications Incorporated (also known as SBC Long Distance) is currently set to expire on Saturday, June 29, 2002, at 11:59 P.M. Our Union represents approximately 100 workers who hold the job title of Solutions Specialist and work in Rosemont, IL. These members perform many functions such as customer service, collections, trouble tickets, etc. (just to name a few) for customers who have SBC long distance service. Currently SBC has approval to provide long distance in Texas, Kansas, Oklahoma, Arkansas, Missouri and Connecticut. The Company and the Union opened bargaining on May 20, 2002. So far, both sides have exchanged several proposals on a wide variety of issues, and additional bargaining dates have been set. The Union would like to extend its thanks to our members at ACI for their strong support of the Union and for each other. **Solidarity!**



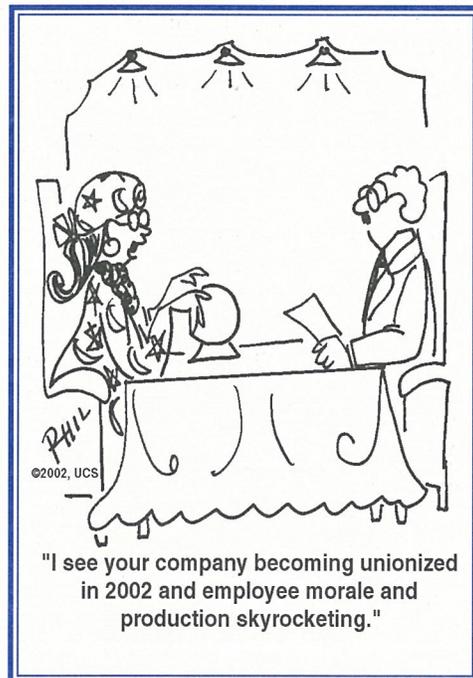
The new Local 21 members of ACI celebrated a Solidarity Day to show support for the first day of contract bargaining.

social events and on-site solidarity actions that could be planned throughout the year.

### *Solidarity Committee Mission Statement:*

*The Solidarity Committee's mission is to create better communication, education, and understanding to build a stronger Union for our membership.*

If you have any ideas for building solidarity, please feel free to contact anyone on the committee: K.C. Coates, Bev Goncher, Rosetta Shinn, Alison Watson, Cleveland Johnson, and Jim McLaughlan. The committee is co-chaired by Tom Hopper, and Bob Kacprowicz. You can e-mail or snail mail any ideas to us. The website is [ibew21.org](http://ibew21.org) or mail your ideas to IBEW Local 21, 1307 Butterfield Rd., Suite 422, Downers Grove, IL, 60515-5606, Attn: Solidarity Committee.



"I see your company becoming unionized in 2002 and employee morale and production skyrocketing."

# Carpal Tunnel Syndrome and Workers Compensation

By Michael Goldberg,  
Attorney at Law

**D**o you work continuously with your hands? Do you perform the same work task repetitively during the course of the day? Do you experience pain, tingling, and decreased sensations in your wrist, thumb, index, long and ring fingers? Do these symptoms wake you up at night? If your answers are yes, you may have a common work related malady known as "Carpal Tunnel Syndrome." As American workers are increasingly required to perform superspecialized jobs, involving continuous and repetitive use of the hands, they are suffering from a virtual epidemic of Carpal Tunnel Syndrome (CTS).

Symptoms of CTS can include a fiery pain in the wrist, radiating into the fingers, generalized hand pain, weakness, pressure, numbness, tingling and in extreme cases—pain traveling up the arm and median nerve into the neck. Depending on the nature of your job, one or both hands may be affected.

Treatment for CTS ranges from conservative measures to surgery. Physicians will generally recommend the use of wrist splints, wrist soaks, anti-inflammatory medication and job modification, or complete rest, initially. If those measures fail to significantly relieve the symptoms, surgery will be indicated. Advancements in the law have liberalized the requirements for work related or Workers Compensation claims. With the explosion of Carpal Tunnel cases arising from the operation of video display terminals (VDT's) a condition previously affecting only assembly line workers now afflicts a much larger segment of society and the work force.

Carpal Tunnel Syndrome generally results from the cumulative trauma caused by repetitive flexion and extension of the hands arising from specialized work functions. In response to the dramatic increase in Workers Compensation claims, the Illinois Industrial Commission has recognized that CTS is compensable under the Workers Compensation Act where a connection between the condition and the nature of the work can be demonstrated. However, proving the connection between the CTS and the work activity can sometimes be tricky for the injured worker, especially in those cases where the employee has worked for several different companies in the period of time

prior to developing CTS symptoms. The Illinois Workers Compensation statute requires notice to be given to the employer within 45 days of the date of the accident. Determining the exact date of the accident can be confusing for the claimant, who in most cases is not aware of the specific nature of his or her problem until after seeing a physician and being diagnosed. This is often several months after the onset of symptoms. Yet alleging an improper accident date can be fatal to the Workers Compensation claim.

For a CTS claim against the employer to be successful, it is necessary that the treating physician agree that the claimant's work activity was sufficiently repetitive and that it caused or contributed to the condition of the injured party. To that end, workers should give their doctor a full description of the work they perform for the employer prior to developing CTS symptoms. This will enable the physician to not only make the proper diagnosis, but will allow him to support his opinion persuasively if asked to testify on the behalf of the claimant, should the claim be disputed by the employer or its insurance carrier. With proper and professional medical and legal assistance persons suffering from work related CTS stand an excellent chance of both a medical and financial recovery through the Illinois Workers Compensation Act.

Editor's Note: Michael Goldberg is a Senior Partner in the law firm of Goldberg, Weisman & Cairo Ltd. He has represented IBEW members throughout the State of Illinois and is available to meet with IBEW Local 21 members at one of the firm's 15 statewide offices. If you are injured on or off the job call for a no obligation consultation toll free at 800-486-1002.

The Labor Department says that workers in private companies suffered about 1.7 million injuries and illnesses in the year 2000 - the same as the previous year.

The data revealed that a steady decline in the sick and injury rate since 1993 has now stopped.

More than one in three injuries in 2000 involved strain of the muscles, nerves or tendons, the types of ergonomic injuries caused at least partly by the poor design of equipment used by workers. About 26 percent of such disorders occurred in service industries, followed by manufacturing at 24 percent and retail with 15 percent.

Three occupations — truck drivers, nursing aides and laborers — together accounted for one of five ergonomic-related injuries.

Overall, truck drivers have experienced the most time-away-from-work injuries and illnesses since 1993. In 2000, they had 141,100 injuries, up from 131,800 in 1999. They missed a median nine days of work. Electricians also missed nine days, followed by construction workers, carpenters, plumbers and pipe fitters.

Men were victims in nearly two in three of the injuries — a proportion higher than their share of the hours worked. Workers ages 25 to 44 accounted for the most injuries, at 55 percent.

## Why does Frontline print this stuff ?

### Because...

CEO's make more in a day than most of us make in a year & sweatshops are here again & we're being downsized, out-sourced and off-loaded & corporations get most of the welfare & we're working longer hours with fewer benefits & we don't have time for our children & the American Dream is slipping away & inequality hurts all of us— even the wealthy & a woman gets 72 cents on a man's dollar & more black men have been in prison than to college & the rich get tax cuts while our teachers get pay cuts & the top 1% has more wealth than the bottom 92 % & we're still waiting for the trickle down & the problem is not the politicians but the corporations that buy them & 2 million of us have seen our wealth double while 200 million of us have become more insecure & people made this system and people can change it & Labor is on the move again & what we do is more important than what we own & the minimum wage should be a living wage & every child should have a fair chance & because when we all come together, there's nothing we can't do...

# 2002 UNIT MEETINGS

## JULY AUGUST SEPT.

### Unit 1

Thursday, July 11 7 PM  
Comfort Inn  
2175 E. Touhy  
Des Plaines IL

### Unit 2

Tuesday, July 9 7 PM  
Lansing American Legion  
18255 Grant St  
Lansing IL

### Unit 3

Thursday, July 18 7 PM  
IBEW Local # 364  
6820 Mill Rd  
Rockford IL

### Unit 4

Wednesday, July 10 7 PM  
IBEW Local # 145  
1700 52 nd Av. Suite A  
Moline IL

### Unit 5

Wednesday, July 17 7 PM  
Days Inn  
77 N Gilbert  
Danville IL

### Unit 6

Tuesday, July 16 5:30 PM  
IBEW Local # 193  
3150 Wide Track Dr  
Springfield IL

### Unit 7

Monday, July 15 7 PM  
Alton Sports Tap  
3812 College Av  
Alton IL

### Unit 1

Thursday, August 8 7 PM  
Musicians Hall  
175 W Washington  
Chicago IL

### Unit 2

Tuesday, August 13 7 PM  
Gaelic Park  
6119 W 147th St.  
Oak Forest IL

### Unit 3

Thursday, August 15 7 PM  
American Legion  
820 N Liberty St.  
Elgin IL

### Unit 4

Wednesday, August 14 7 PM  
American Legion Harwood Post 5  
705 S Larkin  
Joliet IL

### Unit 5

Wednesday, August 21 7 PM  
Rocky Point Club  
3603 Bonanzinga Dr  
Quincy IL

### Unit 6

Tuesday, August 20 5:30 PM  
IBEW Local # 193  
3150 Wide Track Dr  
Springfield IL

### Unit 7

Monday, August 19 7 PM  
IBEW Local # 309  
2000A Mall St ( Rte 157 )  
Collinsville IL

### Unit 1

Thursday, September 12 7 PM  
Habetler Bowl  
5250 N Northwest Highway  
Chicago IL

### Unit 2

Tuesday, September 10 7 PM  
Slovak Club  
6920 Broadway  
Merrillville IN

### Unit 3

Thursday, September 19 7 PM  
Gurnee American Legion  
749 Milwaukee  
Gurnee IL

### Unit 4

Wednesday, September 11 7 PM  
Lemont VFW  
15780 New Av  
Lemont IL

### Unit 5

Wednesday, September 18 7 PM  
American Legion Post 979  
4501 S Airport Rd  
Bartonville IL

### Unit 6

Tuesday, September 17 5:30 PM  
IBEW Local # 193  
3150 Wide Track Dr  
Springfield IL

### Unit 7

Monday, September 16 7 PM  
916 Main St  
Mt Vernon IL

## Social Security: A Vexing Problem in 2002

By James Rankins

**S**ocial Security remains a vexing problem in 2002. And will remain a problem far into the future.

President Bush seems intent on privatizing Social Security despite opposition within the Republican Party. He wants to force the system to divert one-sixth of its revenues into "retirement accounts" managed by Wall Street firms.

Only trouble is...Wall Street firms haven't proven to be so successful lately. The stock market has just gone through one of its typical, periodic down swings. The colossal failure of Enron, a once hugely successful and politically powerful energy merchant, has further undermined confidence.

Yet, President Bush still likes his plan. The 16-person Bush panel on Social Security programs would harm—not benefit—working people. The panel offered three options; all bad, some worse.

One option would offer a voluntary contribution that workers could manage themselves. But the one sixth contributions would be cut dollar for dollar from workers Social Security benefits.

A second option would allow workers to contribute four percent of payroll income, up to a maximum of \$1000 per year to private investment accounts. The dollar for dollar benefit cut applies here as well. This second option would permit Social Security benefits to increase with inflation. Presently, benefits increase with wage growth at a faster rate typically than inflation, according to the Economic Policy Institute.

A third option would have workers contribute one-percent from their own pay-roll taxes, to be matched by 2.5 % from employers. All that money goes to retirement accounts, not Social Security. The dollar-for dollar cut remains.

According to the Economic Policy Institute, workers would have to work far longer to match benefits under the present Social Security system. The American Association of Retired Persons recently reported that the President's commission on Social Security had so little support that no action in Congress is likely for at least a year. All options fail to provide fully for present retirees. The loss of revenue into private accounts would create a tremendous shortfall. The result, forecast by the EPI, would devastate Social Security.

With the economy struggling to emerge from a recession and a weak stockmarket, now is not the time to divert workers' money into private accounts. The private accounts would produce advantages for participants if they realize a 7.5 % rate of return. But President Bush's panel foresees a 3 % rate of return. As they say, it doesn't take a rocket scientist to do that math.

How many Americans would knowingly risk their funds in the stockmarket if at the same time they faced major cuts in their Social Security Benefits? If the various options are so risky, why are they on the table? Who would be the beneficiaries of the Bush plan to change Social Security?

Clearly the winners would be investment bankers and stockbrokers. Oddly, they were among the biggest financial supporters of the Bush candidacy. We can do better for American workers.

From Indiana AFL-CIO News

## Corporate Taxes Slashed

A new report by Citizens for Tax Justice (CTJ), a consumer advocacy group, shows that the big corporate tax cut passed by the Bush-controlled Congress will slash corporate income tax payments to their lowest level in almost 20 years.

Using Congressional Budget Office and Joint Committee on Taxation data, CTJ estimates corporate taxes will drop to 1.3 percent of this year's gross domestic product. The last time it was that low was when it reached 1.1 percent in 1983. The 2002 cuts will keep next year's payments at only 1.4 percent, the third-lowest level in 60 years, CTJ said.

## New Name, Same Game

By Louella Byrnes, Area Steward

**S**ecurity has a new name! This is a friendly update that could be of importance to you. The SBC/Ameritech Security team now goes by a new name. They introduce themselves as either Asset Protection or Asset Management, which sounds like they specialize in computer inventories, but they are the same frustrated FBI agent wannabees, now with a heightened sense of mission since the tragedy of September 11th. They are particularly zealous regarding e-mail. They are still Security! So please be sure to ask for Union Representation, since they are still there for a very serious discussion with you. If you forget to ask for Union representation before the meeting, don't panic---at any point you can refuse to answer any more questions until a Steward arrives.

## What's Your CEO's Take?

**R**eaders who wonder how much their company's Chief Executive Officer earns — or about the compensation being received by any CEO — can now get their questions answered by clicking on to a new website sponsored by the AFL-CIO, Executive Pay Watch 2002, [www.paywatch.org](http://www.paywatch.org). The site offers all-new data from 900 companies on CEO pay, bonuses and retirement perks.

Currently, the website is featuring information on the two big trends that marked CEO pay in 2001: the lack of relationship between company performance and executive pay, and the stark double standards for CEOs as compared with other workers.

For example, visitors to PayWatch can learn about CEOs who raked in the cash as they laid off thousands of workers and saw company profits crash.

Visitors to PayWatch can also play the new "Take the Money and Run" video game.

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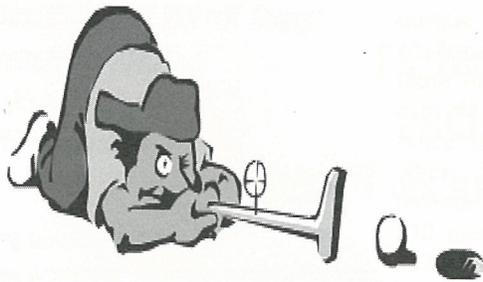
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Union Plus  
Working for Working Families



1<sup>st</sup> Annual  
IBEW Local 21  
Solidarity Day  
Golf Outing & Picnic



**WHEN:** Sat. Aug. 17th, 1<sup>st</sup> Tee Time is 9 am

**WHERE:** Chicago Heights Park District

Take 80/294 to Halsted south to Park and Golf Course

**COST FOR GOLF:** \$18.00 per person Includes 9 Holes & Cart

Monies must be paid to reserve your Tee Time. There are only 13 Tee Times available for 52 Golfers, and will be on a first come basis.

For Golf RSVP by Aug. 1st

For the Picnic RSVP by Aug. 1st Any Golfers who want to attend the Picnic must also RSVP!!!

---

*Cut here and return with money to:*

IBEW Local 21, 1307 Butterfield Rd., Suite 422, Attn. Rita Peterson, Downers Grove, IL.  
60515-5606

Foursome

**Chicago Heights Park District RSVP by Aug. 1st**

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_

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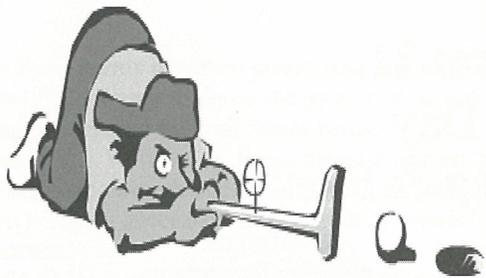
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**Bloom Township Picnic 1pm to 7pm**

Local 21 will be providing a chicken dinner for you and your immediate family. If you would like to join us and enjoy the picnic at Bloom Township Veterans Memorial Park (Skyline Pool), please fill out the form below and return it to: IBEW Local 21, 1307 Butterfield Rd., Suite 422, Attn. Rita Petersen, Downers Grove, IL. 60515-5606 Golfers, please fill out the form also, so we have a count on how much food will be needed. Dinner will be served at 4pm. The Park closes at 7pm. Pool and slide are available at \$5.00 per person per activity.

I \_\_\_\_\_ will be attending the picnic and will need \_\_\_\_\_ meals for my family, including myself.

Hope to see you there!!!!!!!!!!!!



1<sup>st</sup> Annual  
IBEW Local 21  
Solidarity Day  
Golf Outing & Picnic



**WHEN:** Sat. Aug. 31<sup>st</sup>, 1<sup>st</sup> Tee Time is 11am

**WHERE:** Randall Oaks Golf Course & Picnic Grounds

Located on Randall Rd. 1 mile north of Higgins Rd. (RT 72). Entrance to golf course is 1/2 mi. west of Randall on Miller Rd.

**COST FOR GOLF:** \$54.00 per person Includes 18 Holes & Cart

Monies must be paid to reserve your Tee Time. There are only 20 Tee Times available for 80 Golfers, and will be on a first come basis.

For Golf RSVP by July 31<sup>st</sup>

For the Picnic RSVP by Aug. 16<sup>th</sup> Any Golfers who want to attend the Picnic must also RSVP!!!

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*Cut here and return with money to:*

IBEW Local 21, 1307 Butterfield Rd., Suite 422, Attn. Rita Peterson, Downers Grove, IL. 60515-5606

**Foursome                      Randall Oaks Outing      RSVP by July 31st**

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_

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*Cut here and return*

**Randall Oaks Picnic, Time 1pm to Dusk, RSVP by Aug. 16th**

Local 21 will be providing a chicken dinner for you and your immediate family. If you would like to join us and enjoy the picnic, please fill out the form below and return it to: IBEW Local 21, 1307 Butterfield Rd., Suite 422, Attn. Rita Petersen, Downers Grove, IL. 60515-5606

Golfers, please fill out the form also, so we have a count on how much food will be needed.

Dinner will be served at 5pm.

I \_\_\_\_\_ will be attending the picnic and will need \_\_\_\_\_ meals for my family, including myself.

Hope to see you there!!!!!!!!!!!!!!

## AT&T and Comcast: A Bad Deal for Almost Everybody

*"On close inspection, the proposed merger looks like a sweetheart deal that will deeply wound what remains of AT&T"*

By Robert Kuttner,  
*Business Week Online*

Should AT&T be added to the growing corporate rogues' gallery that now includes Enron, Global Crossing, and World Com? What these companies have in common is not just their financial tailspins but scandals of self-dealing and failures of corporate governance—sweetheart deals by insiders at the expense of shareholders. AT&T's proposed merger with Comcast Corp. (CMCSA)—replete with huge shareholder losses and insider favoritism....is not yet a front page scandal only because the other scandals are worse.

As recently as two years ago, AT&T was on a buying spree. CEO C. Michael Armstrong spent \$97 billion to acquire two giant cable competitors, TCI and Media One, in order to put AT&T squarely in the broadband business. By one indicator, cost per cable subscriber, Armstrong paid double their market worth. The buzzword back then was synergy; AT&T—facing declining margins in its core long-distance business—could bundle cable, wireless, and telephone services.

But that was then. Armstrong never executed the synergy strategy, and it's not clear that the idea was ever viable. As AT&T stock headed south, Armstrong threw the process into reverse. In 2001, he announced that the company would be broken up into four pieces. Then Armstrong changed the game plan yet again, making a deal with Comcast CEO Brian Roberts for a super-merger that would give AT&T Comcast some 40% of all U.S. cable customers.

The deal, which still must be approved by three regulatory agencies and by shareholders, has several suspicious wrinkles. AT&T and Comcast would merge only to have the prime portion—the cable operation—be spun off into a separate venture. The venture would have Roberts as its CEO and Armstrong as its chairman. The Roberts family would get 33% of the new company's voting shares at a cost of only 1% of its assets. With Armstrong taking AT&T's crown jewels to the new venture,

some other hapless soul would get to manage AT&T's low margin leftovers.

To a lot of critics, this looks like nothing so much as an exit strategy for Armstrong and a sweetheart deal. When the merger was announced, the cable assets Armstrong acquired in 1999 and 2000 for more than \$97 billion in AT&T stock and debt were to be sold for just \$72 billion. Since the deal was announced, Comcast stock (which AT&T shareholders will receive) has declined from \$38 a share to \$30, meaning that the deal is now worth only \$62 billion to AT&T shareholders. So, after just two years, CEO Armstrong is unloading for \$62 billion, assets that cost AT&T shareholders \$97 billion.

Unlike Enron or Global Crossing, let us recall, AT&T is no house of mirrors. CEO Armstrong took over a company that was once the gold standard of American capitalism. How does a chief executive get punished for blowing through \$35 billion in shareholder value? Last year, Armstrong received \$17.2 million in total compensation, plus more than 1 million in stock options that can be excised over the next five years. AT&T's compensation committee explained that this was an incentive to "align" Armstrong's interest in the company through 2005. Evidently, the incentive failed. But the kindly committee recently voted Armstrong an additional 1.4 million stock options, worth \$32 million even at AT&T's depleted stock price.

The merger is structured to defy shareholder challenges. There is only one shareholder vote on the financial terms of the deal and the new governance arrangements, which will make Roberts and Armstrong very hard to fire.

The merger would also dramatically increase concentration in the cable business. AT&T Comcast would instantly dwarf everyone else, giving it alarming control over pricing and content. As long-distance telephone and wireless services have increasingly become commodities with slender profit margins, cable continues to enjoy immense market power and profits to match. No wonder Armstrong covets cable, even if the rest of AT&T will languish.

For decades, the cable industry has succeeded in persuading Congress and the Federal Communications Commission that real competition is around the corner. But competition never materializes. Instead of competing with one another to offer competition, cable companies merge with each other to monopolize markets and raise

prices. Cable rates have risen since 1996, at triple the rate of inflation. FCC Chairman Michael K. Powell has a remarkably sanguine view of "intermodal competition"—the fantasy of cable modems competing with DSL telephone lines for Internet service, satellite competing with cable, and so forth. But a study by economist Marc Cooper of the Consumer Federation of America shows that these markets remain highly segmented and enjoy monopoly profits.

The AT&T Comcast deal is a perfect marriage of bad corporate governance and bad public policy. If such games can be played at AT&T, problems of corporate governance are endemic. Only the regulators can kill this deal—and they should.

## New DSL Members at the Table with SBC/Ameritech

By Michael Sacco, *Business Representative*

Eighty-seven newly-organized Local 21 members employed by AADS/Ameritech DSL have begun negotiations to transition into the SBC/Ameritech Core Network contract. Five bargaining sessions resulted in some progress.

Insisting that this work is "different" and "special," the company is demanding that they have relief from some restrictive contract language. The union has little interest in re-writing an already-good agreement, but we are working with the company to try and address their concerns.

The DSL techs perform work similar to Telecom Specialists (COTs) and Hi-Cap installers (CSTs), mainly in the residential arena.

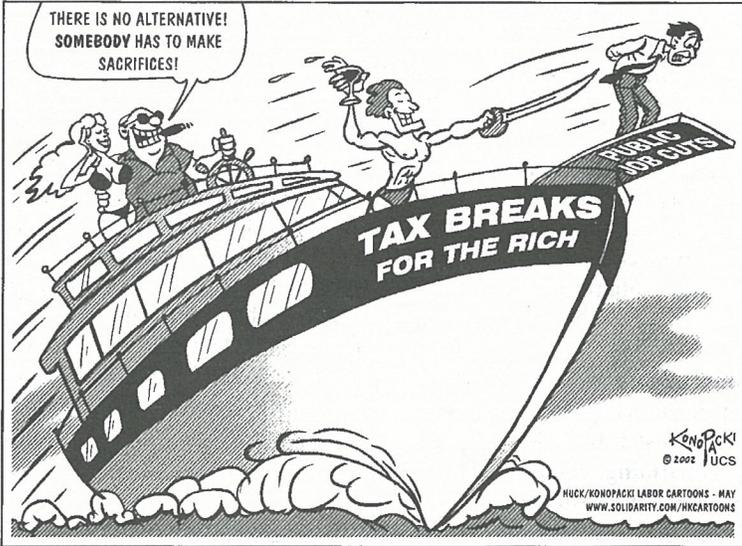


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