

# The betrayal of AT&T workers by the CWA bureaucracy: A “ratified” contract at the expense of the rank-and-file

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*AT&T workers and communication workers, what are your thoughts on the “ratified” deal? Contact us by filling out the form below and tell us more about the working and living conditions you face. All comments will only be published anonymously.*

On October 21, 2024, the Communications Workers of America (CWA) announced that its members had ratified a new labor contract with AT&T, bringing an end to a month-long strike that affected 17,000 workers in nine states across the lower and mid south. The corporate media quickly praised the settlement, highlighting the so-called gains won by the union, including wage increases, healthcare provisions, and a commitment to job security.

However, a closer examination of the contract reveals a very different picture. The deal is riddled with concessions and is a blatant capitulation by the CWA bureaucracy to AT&T management under conditions of an ongoing cost of living crisis.

The CWA-AT&T five-year contract locks workers in to meager wage increases, insufficient to keep pace with inflation and along with rising healthcare premiums and deductibles, effectively wiping out any financial gains for most workers.

According to the “highlights” of the agreement provided by the CWA, AT&T workers are looking at a 19.33 percent increase over the course of the five-year contract, with 5 percent taking effect after ratification of the agreement, and the rest being spread in increments of 3 percent over the next five years. This means, for example, that an average sales consultant will see their salary go from \$45,000 a year currently, to \$54,000 by 2028.

Taking into account the high level of inflation during previous years and wage stagnation in prior contracts, the deal is effectively a wage cut. Despite AT&T generating \$122 billion in revenue last year and paying CEO John Stankey \$25.7 million, many employees have been forced to take on second jobs or gig work just to make ends meet.

In the final years of the contract with AT&T, healthcare premiums start to increase for workers with families. Current employees would see their premiums go up from \$433 a month to \$460 a month. New employees would see it jump even more, from \$512 a month to \$543 a month.

Promises of job security are also hollow, with numerous loopholes allowing AT&T to proceed with layoffs and outsourcing. Pension benefits for retirees are further diminished, while new hires are subjected to worse conditions, creating

divisions within the workforce.

Despite these glaring shortcomings, the CWA leadership declared the contract a victory. However, the union has refused to release critical details, such as the total number of votes cast and the margin by which the contract was allegedly ratified. This lack of transparency casts doubt on the legitimacy of the ratification process and reinforces the growing disconnect between the union bureaucracy and its rank-and-file members.

**A “victory” in name only: “CWA abandoned their new workers as well as their former workers”**

The *World Socialist Web Site* previously warned that the CWA’s primary concern would be to ensure the survival of their cozy relationship with AT&T management. The ratification of this latest contract verifies this assessment.

The recent contract’s provisions demonstrate the CWA’s collaboration with corporate interests. Despite the CWA’s claims of achieving wage increases, the paltry raises will do little to offset the rising costs of living. Healthcare premiums are set to increase, further burdening workers, while pension benefits remain inadequate. Worse, the contract includes clauses that allow AT&T to move forward with restructuring plans that could lead to further job cuts and outsourcing—precisely the issues workers were fighting to prevent during the strike.

A recent report in the *Wall Street Journal* notes that while inflation has cooled, Americans are “seething over prices.” It states: “people continue to face painfully high and sometimes rising prices for big-ticket items, including housing, cars, child care and insurance, which contributes to their sense of unease. Many are also struggling to keep pace with price hikes or have been forced to make painful adjustments to keep up. In a fresh sign of strain, a Fed report Wednesday noted some signs of Americans shifting toward cheaper purchases.”

Throughout the strike, workers repeatedly voiced their frustrations with both AT&T management and the CWA leadership. Comments on social media reflect the widespread sense of betrayal. One worker posted on the CWA’s Facebook

page: “Only if your union actually works for you. CWA has been a big letdown with bargaining negotiations with CWA District 9 out west.” Another worker criticized the union for abandoning both active and retired members, stating: “CWA abandoned their new workers as well as their former workers, AKA retired employees.”

This sense of frustration was echoed in countless other posts, with workers accusing the CWA of making backroom deals with AT&T, failing to fight for a real contract, and prioritizing the interests of the union bureaucracy over the needs of its members. As one worker put it: “Every union member deserves union leadership to actually fight for a contract and not accept backroom deals from the company to line their own pockets!”

### **The origins of the CWA: From militant beginnings to corporatist collaboration**

The CWA was founded in 1947, emerging from the chaotic labor conditions in the U.S. telecommunications industry. At its inception, the union was born out of the militant struggles of telephone operators and technical workers, who were fighting for better wages, working conditions, and union recognition against powerful corporate monopolies like AT&T. These early struggles were characterized by strikes, demonstrations, and fierce battles against anti-union efforts, particularly during the post-war boom.

Originally known as the National Federation of Telephone Workers (NFTW), the union reorganized as the CWA to become a national organization, capable of confronting corporate management on a broader scale. In the decades following its establishment, the CWA grew into one of the largest unions in the telecommunications sector, eventually representing workers in other industries, including media, airlines, and health care.

However, like many unions that were once rooted in class struggle, the CWA underwent a significant transformation. Under conditions of an increasingly globalized economy and transnational production networks the nationalist orientation of the unions proved bankrupt. Discarding their previous role as defensive organizations of the working class, the unions became more and more embedded in the corporate and political establishment. This process accelerated in the 1980s and 1990s, when unions across the U.S. shifted towards a policy of “partnership” with management. The CWA embraced this approach, collaborating with corporations like AT&T under the guise of “cooperation” to ensure profitability, while sacrificing the interests of workers.

This shift away from militant labor struggles toward labor-management collaboration meant that the union no longer saw itself as an adversary of big business. Instead, it positioned itself as a mediator, working to maintain “labor peace” and ensure stability for corporate America. This transformation has reached its logical conclusion today, with the CWA bureaucracy openly siding with AT&T management and the political establishment at the expense of its members.

The CWA’s betrayal is not limited to its handling of the AT&T

strike. It is part of a broader pattern of subordination to the Democratic Party and the corporate political establishment by the pro-corporate trade union bureaucracies. Like most major unions the CWA has thrown its full support behind the Biden administration, despite Biden’s policies being openly hostile to the interests of the working class. The union endorsed Biden in both the 2020 and 2024 elections, portraying him as a “pro-labor” candidate, despite his administration’s continuous support for Wall Street and corporate America.

Workers are increasingly recognizing the bankruptcy of this alliance. One worker expressed disillusionment with the CWA’s support for Biden and his successor at the top of the Democratic ticket, Kamala Harris, stating: “Biden doesn’t work for us; said so on live TV, and proved it since. Besides, CWA sold the retirement down the river.” Another worker, reflecting on the 2024 election, noted: “I can’t believe anyone wants either of these two. If this is the best we have to choose from, what difference does it make? I’ll be paying attention to the other candidates.”

This growing disillusionment with the political establishment is a reflection of the broader crisis of the capitalist system. Workers are recognizing that their struggles cannot be resolved through the existing framework of trade unions and political parties that are wedded to the defense of corporate interests.

The betrayal of AT&T workers by the CWA underscores the urgent need for workers to take control of their own struggles. The current contract may have been ratified, but it will not resolve the long-term issues facing AT&T employees—rising healthcare costs, stagnant wages, and the ongoing threat of job cuts. The CWA has demonstrated time and again that it is incapable of mounting a genuine fight on behalf of its members.

As the *World Socialist Web Site* has consistently argued, the solution lies in building independent rank-and-file committees, democratically controlled by workers themselves and independent of the pro-corporate union apparatus. These committees can coordinate with workers in other industries and countries, launching a united struggle against the global offensive of the ruling class. Only by breaking free from the stranglehold of the union bureaucracy can workers mount a serious fight for their rights and interests.

The ratification of the AT&T contract is not a victory for workers but a betrayal orchestrated by the CWA bureaucracy. It is time for AT&T employees, and all workers, to take their struggle into their own hands by forming rank-and-file committees independent of the CWA apparatus and democratically controlled by workers. Only then can they begin to mount a real fight against the capitalist system that exploits and oppresses them.

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