



JOHN GUARRERA ON THE EARLY YEARS OF IEEE-USA

John Guarrera was a dedicated volunteer who participated in the merger of AIEE and IRE to form IEEE in 1963 and in the establishment of the IEEE's Washington office and IEEE's U.S. Activities organization. He served as IEEE Vice President for Professional Activities and USAB Chair in 1977. He also served as IEEE President in 1974. He remained very active in IEEE until his death in 2006, helping drive the establishment of the IEEE Member Conduct Committee and supporting IEEE-USA public policy efforts to improve pension portability.

The following are excerpts from an IEEE Oral History Interview published by the IEEE History Center in the Engineering and Technology History Wiki at: https://ethw.org/Oral-History:John_Guarrera

THE CONSTITUTIONAL AMENDMENT ADDING PROFESSIONAL MATTERS TO IEEE'S MISSION

I became director of Region 6, and that was a time when we had an unemployment problem in this country, and Jim Mulligan at the same time became the president of IEEE. Prior to Jim's taking office he decided to find out what all the grumbling was about, because the members were complaining IEEE wasn't doing a damn thing for them, for their problems, for their economic problems. Jim decided to meet with the

members of IEEE and scheduled a series of meetings of the sections. He got a very bad reception, especially in Columbus, Ohio.

The story we tell, although Jim says it really wasn't that bad, was that he got bombarded with some ripe tomatoes and stuff like that. He denies that it really happened. Nevertheless, Hans Cherney and I have been telling that story for years and I'm not going to change it. They were very unhappy, so he said, "Well I better meet with some of the leaders of IEEE, because this is a problem that we ought to try to figure out what we can do about." As a result, he came to Los Angeles and met with a bunch of us.

Jim started asking some questions, and then I got up and I made my speech about the fact the reason members are unhappy is IEEE doesn't give a damn about what's happening to the members. All the IEEE is doing is publishing archival literature, which is important. Probably and no doubt the most important thing that IEEE does. However, you ought to worry about what's happening to the members. He responded, "Geez, John is the guy I ought to talk to." When we talked I told him, "You really got to do something, this is ridiculous, and there is a lot of unrest."

At any rate, John Granger in the November or December issue of Spectrum said that the IEEE as a learned society can only take care of the archival literature and referee literature. Also he said that it is demeaning and below the dignity, or some stupid thing like that. It created a stir among the members. It was like saying too bad for you, but IEEE is not interested. That's when Mulligan went to speak to Columbus, Ohio and got in a certain amount of trouble.

Nevertheless, Jim and I talked about this and he met with several other people from the region, and I was an incoming region director. We tried to get something done right away in 1971, but we had a little lawyer trouble.

We talked about getting involved and doing some of these things, and the lawyer of course, whom I love and got along with great, but Don [Fink] was very timid about these things and the lawyer was always there to answer his questions. The lawyer said, "Well, you know if you get involved in this lobbying activity, you are going to be in trouble because you are a (c)-3." He said, "If you walk like a duck and you talk like a duck and you look like a duck, you must be a duck. So you can't do those things." I said, "No, no," I said, "The law is clear on this. We're not proposing to spend much money on this lobbying activity or this political activity. The law says we can spend five percent of our gross revenue, of our gross budget, without any possibility of penalty." A couple years later they changed that to twenty percent, that way you can be a (c)-3. The lawyer insisted, however, and all the board members acquiesced. Then the Galindo Petition comes, and everybody gets upset about that, because if that had passed, we would have been primarily a lobbying organization.

So, we lobbied against that, we wrote articles debating against it. I spoke out against it...At UCLA. We had a pretty good audience too. I also debated them again at the MTT, but not at that period of time, because Vic felt IEEE was never doing enough for the

members. At any rate, his petition lost. The IEEE then in its infinite wisdom came up with a more palatable change to the constitution, which wasn't necessary, but we had to go that way because everyone bought this lawyer's dictate. Once the constitution was changed, we became a (c)-6, and we had to create the foundation for IEEE because we were no longer a (c)-3. That created a problem with all the technical societies, and over the years they were all moaning and groaning that we were a (c)-6 and not a (c)-3. Especially, those that understood the difference between a (c)-6 and (c)-3 were in an uproar.

Just recently we hired a new lawyer, and even with the changed constitution we are now (c)-3 again. That's very important, because to IEEE that means members that send in their dues as a contribution, if they are not working or if they are not itemizing deductions except for contributions, they wouldn't get the benefit of this. So (c)-3 is very important for IEEE, and it's very important to do business with the other societies. Because we were a (c)-6 and they were (c)-3s.

THE CREATION OF IEEE-USAC

After my involvement as a director, we made a lot of changes. We created essentially USAC [IEEE U.S. Activities Committee] and we also got money to run it. We even got money to start a Washington office. Ralph Clark, on a part time basis, opened our Washington office. He was a very respectable, good working, hard working guy, very respected all over Washington.

He got us going in the Washington scene. We then created the pension committee and all these other things to get things going, which was kind of exciting. One of the most exciting things that happened when I became president, when I was vice president we kept pushing all these professional activities and started the USAC. I was vice president in '73, and then in '74 — we actually started USAC in '72 [n.b. as an Ad Hoc]. Hal Goldberg headed that up. Then in '74 when I became president one of the things that happened was the Bart case.

THE BART CASE AND THE SERVICE CONTRACT ACT

We actually did get involved in the Bart case¹. I have to tell you the board members of IEEE all work for somebody, and so it is not easy to do these ethically in my opinion correct things or to take a front position on anything. What happened was, we finally agreed that we could write an amicus curiae brief. Frank Cummings and his wife did a great job on that amicus.

Basically the brief said that anyone that hires an engineer has to recognize that the code of ethics is part of his contract. It's an implied contract. Therefore if what these men did was in conformance with the code of ethics then they had to do it, they were obligated to do it. IEEE took no position on whether the men were right or wrong. That was for the court to adjudicate. That was what we said in the brief.

At the time, I was heavily involved in the United States Activities Committee, board, and everything else from the beginning. Even when I was vice president, and even before I was vice president. I was on the board when we created it, so I was heavily active in those things, but in 1976 one of the things that took place was the Service Contract Act. Are you familiar with that problem?

What happened was, some of our Florida members at Patrick Air Force, Cape Canaveral, complained that the government, in re-awarding the contracts, gives the contract to the lowest responsible bidder. Pan American had the prime contract to run

1 See, "Why a State PE Board Should Enter an Amicus Curiae Brief in a "Wrongful Discharge" Case," Walter L. Elden, P.E. (National Society of Professional Engineers), accessed at: <https://www.nspe.org/resources/ethics/ethics-resources/other-resources/why-state-pe-board-should-enter-amicus-curiae> . Excerpt:

"In January 1975, the IEEE entered its first and only Amicus Curiae, in a "wrongful discharge" ethics matter, in the Bay Area Rapid Transit (BART) case. This involved 3 IEEE engineers, who brought suit against the BART District entity for their "wrongful discharge" for actions they took to "protect the public" in matters of engineering design of the automated train control system. Essentially, the IEEE legal brief made these statements of law to the court, in this case:

"In any charge to the jury herein, this court should instruct the jury that if it finds, based upon the evidence, that an engineer has been discharged solely or in substantial part because of his bona fide efforts to conform to recognized ethics of his profession involving his duty to protect the public safety, then such discharge was in breach of an implied term of his contract of employment."

"The IEEE brief said that not only should this apply to Public employment bodies, but to private employers too."

the base. They were the caretakers so to speak. Everybody then worked for Pan American, even though the government paid all the costs.

When that came up for re-bid, Boeing lost about five billion dollars worth of contracts from the government in the first bidding. I forget exactly what happened, but I think Boeing underbid deliberately to get the contract. They got the contract and then fired all the engineers. The reason they fired all the engineers was that there is a law of 1965 called the Service Contract Act, which says that when you are a service contractor and the government owns a facility, and you are contracted to do everything. You must pay all the people the prevailing wage. Therefore, if you fired someone and hired them back, you have to hire them at the same pay. All their rights were protected with this act. Everyone except for engineers, doctors, lawyers, and perhaps nurses.

At Cape Canaveral a lot of the employees were engineers, because that's basically the work that was done on the base. So they fired all the engineers because they couldn't fire anybody else. Immediately they advertised new positions. They wanted to pay someone with ten years of experience and a Ph.D. \$100 a week or so. It was ridiculous.

Many guys took the jobs because there weren't many jobs anywhere else. These guys were whipsawed into taking big cuts in pay, some of them fifty percent of what they were getting, some of them even less, some of them a little more. That doesn't mean they had to keep that pay forever, because they would be looking around and as soon as they found another job they would take off.

As a result there was this whipsawing thing. You are earning this much money; all of a sudden you are down here earning this much money, and then they feel they've got to do a little raise here and there to keep enough people there to do the work. Then you have another problem, a new contractor comes and it goes down again. Basically that was a problem, and it was very serious.

I took it as a personal challenge that we ought to be able to do something about this. Jim Corman was in Congress, my personal friend and very close, very nice to have our lobbyist be an unpaid Congressman—I mean unpaid by us. We decided we would tackle this problem.

It got to be kind of exciting because we sort of had a problem with our board first of all, because the companies didn't like our activity. One of the things I did was, I met with all of the associations involved in service contracts, companies. They knew everything we were doing. I didn't try to hide anything. I told them this is what we're doing and this is what we're doing and we'd like you to help us do it. Of course they said yes. We're not going to have a law that includes engineers in that bill.

We proposed a law; we tried to put in certain controls and measures to make people happy. While this went on—it was a fairly long process—we had hearings. We gave case histories, and a funny thing with the PRC company—I forget what that means but they are big in the service contract business. After we testified, they testified at the next

day and they said that testimony wasn't a hundred percent accurate because we were able to trace these people. They said some of the things that were wrong. As a result, I was on that panel again. Corman fed questions to the congressmen, his friends, to ask us, and they said, "Well, how do you explain this?" I said, "Well, the proof of the pudding, Mr. Congressman. They recognize their people. We tried to camouflage them to protect them, and they researched it to prove that it was their people we were talking about who were abused." That was one of the testimonies.

Then, we finally went through the subcommittee, and we were really on a roll. The subcommittee passed the bill. We had to get the labor unions to join us, because it's the labor committee that had to pass this, and they are close to the unions. Corman, who was close to the unions, got them to agree on the language that would go into the bill. Of course the unions didn't want bills to protect employees; they want them to join the union. Consequently, we had a little fun there, but finally that got in the bill.

While this is going on, we were suggesting to this industry group that we solved a problem another way; maybe we can do it by working with OMB and putting it into the regulations. We met with OMB and finally got them to agree. They saw this bill as making progress. The full committee passed the bill....and they were ready to go to the floor. Now they agreed to change the OMB regulations. OMB now has a regulation and it's now in all contracts that says the contracting officer has to see to it that the contractor pays the prevailing wage. That provision is now in all government contracts. Therefore this essentially solved their problem.

It would have been nicer to have it in the law, but then of course the administration changed in IEEE and that bill was not pursued. No one tried to push it any further. The new administration decided that Guarrera's activities were geared too much to employee interests to satisfy the needs of our membership.

USAC/USAB AND EARLY PENSION EFFORTS

he first thing we did was during ERISA in '74 when that bill passed. We got involved because we wanted some clauses in that bill. We wanted to be able to carve out engineers and have their own pension plan. Frank Cummings was the attorney who wrote what we ought to put in there and helped us compose it in legalese language, and we talked to the various committee people. Cummings, who is primarily a Republican, that's his background, nothing wrong with being a Republican, but democrats were in power then, and he tried to see if he could wiggle it in. He knew Javits personally, because he used to be on Javits' staff, and he said, "John, this is impossible on such short notice. The thing is already in committee. We can't do it." I said, "Well wait a minute, let me have it," and I went and talked to Jim Corman. Corman was on the Ways and Means Committee, was not on the conference committee because he was too junior at the time, but he knew people on the conference committee. He went in and talked to his buddies and they put our clauses into the bill.

That's when we tried to start the pensions for professionals. We actually formed two corporations thinking we were going to go into the pension business, because we had our clauses in the bill. It turns out that we couldn't get any company to go along with us on this.

The bill was passed with our clauses. That was our first success, as far as getting legislation passed. I was at the White House when Ford signed that bill. Labor Day '74 I was invited to the Rose Garden to see the signature. Frank Cummings was invited to the Rose Garden through his friend Javits. We saw Ford sign, and I got a pen where he made part of his signature with and a picture.

At any rate, that was an exciting experience. Then what happened after that was we promoted what we called the Universal IRA. IRA was in the original bill, but you couldn't have it if you were covered by a company pension plan. This meant if you belonged to a company that had a pension plan you were out of luck, whether you had any benefits or not. Therefore, if you worked for a company for four years, had no benefits from the company, and it was a ten-year vesting, then you had no IRA. We proposed what we called a LIRA [correct name?], and limited it to individual retirement employees and retirement accounts. We did that by calculating if a person worked for a company and had no benefits, he could take out an IRA. If he started getting some benefits, once he vested that would reduce the IRA by the amount of the vested benefit. Of course everybody said "no, that's too complicated, no one's going to understand how to do that." So I said, "Well, let's make up an imaginary tax form. The company who keeps records on everyone anyway on the W2 there will be another box, and just say how much they're vested in. Then the guy fills out his tax return, puts that down, and that's how much he can put in his IRA."

We did, we lobbied for it and were very successful, but not in getting the LIRA passed, because Congress thought it was too complicated, because they didn't understand it completely, and so what happened is they passed an IRA for everybody—anybody, no matter what you had, could have an IRA. There were some complaints by people who said, "Well, now everybody who has got a pension plan is going to take out an IRA. It's going to cost the government too much."

For about two or three years, anyone could have an IRA. Then Congress in its infinite wisdom stopped it, because it was too expensive and most of the people that had pensions were taking it out. I was sort of out of the mainstream, we decided not to stop a IRA; what we decided to support on the pension committee and what we're doing today is trying to support a pension for everybody. Everyone doesn't have a pension, everyone doesn't have benefits, and so what we're saying is everyone should have a minimum pension benefit above Social Security.

We started, in fact we introduced a bill two years ago that defines such a plan, and we came up with some suggestions as to how to fund it. One of those suggestions that I made based on an article by an actuary that has written books on pensions. At any rate, she made a suggestion that the pension pot is over \$3 trillion and approaching \$4 trillion

at a rapid rate because all the earnings get pumped back into this at the expense of the taxpayers. That is because all that money goes in pre-taxed, that's not supporting anything in the government or anything else. If you took a one or two percent tax on the corpus, maybe a half a percent tax on the corpus that would fund the tax laws for having a pension plan for everybody. Consequently, that's what we promoted and lobbied for and testified to and so on. Sam Gibbons [n.b. introduced that for us. He almost became the chairman of Ways and Means when Rostenkowski got bumped, because of his problems. Corman was Ways and Means until he lost the election.

At any rate, Gibbons introduced that for us, and we figured the Democrats would win again, and hoped they would win again, of course they didn't. Now Sam is the senior democratic member of Ways and Means but not the chairman. Our chances of getting it then passed were relatively small. As a result, we lowered our sights. After this experience we learned to have a plan.

We have introduced a bill on portability. It's not in the garbage yet this year, but Sam introduced this last year along with the other bill. The portability bill tells you how to compute the value of your vested benefit; this is for a person leaving the company. Our recommendation is you use a three percent discount rate, so instead of the PGA. This is because PGA says that you should use the current interest, which is like eight or nine percent, if you use a three percent discount rate from the benefit you get at sixty-five you get a bigger number. That's sort of taking care of inflation and a few other things. Our recommendation hasn't passed yet, because it hasn't been introduced yet this year.

IEEE-USA Position on the Proposed Design of the International Space Station

You do realize that one of the problems in IEEE is the cross section of membership. One of the policy statements we came out with fairly recently, last year I believe, was that we did not favor the massive space station that was being lobbied by Rockwell and those people that were building that. We thought it should be smaller, continue the research, and so on. I could tell you it wasn't received very well. I'm right here near Rockwell. My phone rang off the hook. The executive vice president of Rockwell called me and said, "What are you trying to do?" I had an answer for all of them. "It's your members' participation." I said, "Do you support your members? How many of your people from Rockwell," it was a massive company, "how many of them are on the committee? I don't think there's any of them on the committee. The committee makes their pronouncement." Unfortunately, or fortunately as the case may be, that's what gets published.

But our membership is a cross section. Now I happen to think the policy we took was a good one. I've always felt that way. But I'm not going to make a speech on that, since Rockwell does support the university. That's a real problem with a big society.

Ver:27Jan2023