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Italy

Victory at FIAT

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FIAT workers at Melfi, in the southern Italian region of Basilicata, were involved in a 21 day industrial struggle in April-May which ended with the management being obliged to yield to their demands.

Twenty-four years after the dramatic defeat of October 1980, which radically changed the social relations of force in the country, FIAT workers have scored a victory. If the victory of one factory is not yet a victory for all FIAT workers - whose situation remains precarious - this event is nonetheless the expression of a new phase in the class struggle which has been opened up in the last few months.

The FIAT-Sata (SocietÃ automobilistica tecnologia avanzata) factory at Melfi was built at the beginning of the 1990s - it started to function in September 1993 - with aid from the state and local government (of the 6,600 billion lira invested by FIAT in the South about half came from various forms of government aid). It currently employs 5,000 people, with 4,000 others working in subcontracting factories. It produces 1,200 cars per day. The productive site at Melfi is an illustration of the so-called objective of the "green field" - a factory in the countryside, created out of nothing, with a new working class, without experience and trade-union traditions - young workers who were supposed to be moulded perfectly in the "company logic". The heavy defeat suffered by FIAT workers and the policy of "dialogue" practiced by the three big trade-union confederations in total subordination to the employers' demands, which caused substantial retreats on wages, norms, flexibility and precariousness of work, seemed to make this project "feasible".

Over a ten-year period, FIAT succeeded in imposing ferocious levels of exploitation. The workers at Melfi were paid 20% less than other FIAT employees. Imposed rhythms of work were inhuman, with 3 teams over 6 days and obligatory night work for two continuous weeks with only one day of rest, called the "ribattuta". The majority of workers had moreover to make long and dangerous journeys to get to the factory, sometimes as much as 150 km, because recruitment was carried out throughout an area which is heavily affected by unemployment. Internal organization of production recalled the traditional despotism of FIAT - in the course of last year alone there were thousands of disciplinary actions

The FIAT management has devised work schedules and norms intended to guarantee maximum use of the machinery. Thus the factory functions day and night without interruption, with the sole exception of Sundays. The trade-union organizations also accepted the hiring of workers on long-term precarious contracts and in particular the use of "training contracts" which automatically excluded workers aged more than 32.

The most innovatory element from the viewpoint of the exploitation of labour was the introduction of the Tmc 2 system which changed the index of individual output from 133 to 160. Thus, the average individual saturation of the workforce was at 94.3%, as against 86% previously.

Difficulties relating to the productive cycle are compensated for through speed-up of production on the lines. The sub-contracting factories function in perfect harmony with the requirements of the mother factory, according to the "just in time" system, and thus their production system is even more flexible and levels of exploitation of the workforce are as intense.

Thus FIAT Melfi is the most productive car factory in Europe. Many young workers, in spite of the economic difficulties and the practical impossibility of finding another job, cannot tolerate these infernal rhythms, so "turn-over" has always been very high. During the struggle of FIAT workers in 2002 against yet another phase of restructuring

involving the loss of tens of thousands of jobs, there was a lack of workers' mobilization at this factory, as the employers' powers of blackmail still weighed heavily.

But after a long period of incubation of workers' grievances, the lid unexpectedly blew off. Contradictions, dissatisfaction and fury at the bestial system of exploitation exploded. Workers blockaded the factory with their colleagues from the other sub-contracting companies. They chose to remain outside the factory so as to avoid the blackmail and pressure the bosses would employ against an internal strike. They decided to go further, through assemblies and democratic participation. The Fiom [1] remained at their sides throughout, with the entire trade-union left of the CGIL. The workers at Melfi demanded wage parity with other FIAT factories, the modification of the team system, an end to the police regime and the annulment of sanctions.

FIAT thought it could break this strike. The company had already succeeded in building a ferocious cage of exploitation, based on division of the workers, repression and blackmail not only of the employees, but entire peoples and regions at the margins of the country's economic and industrial development. FIAT believed it could exorcise the workers' movement but it has failed.

The struggle started from a specific event. A sub-contracting company was on strike, the parts did not arrive and the company appealed to the trade-union representatives to sign an agreement for the workers to be sent home without pay. This kind of thing has already happened on several occasions. A workshop goes on strike and the workers downstream are sent home (to play off one group against the other). This time the representative of the FIM agreed, while that of the Fiom didn't. However, when the delegates left the management office to face the workers, they were told: "This time, it's enough. This time our heads will not be lowered! We will all block the doors!" And thus, for 21 days the workers at Sata and all the sub-contracting factories held off an employer who sought by all means to defeat their struggle.

First FIAT simply refused to negotiate. Then, it sought to sow division by a phony demonstration of workers "who wanted to work" with the reactionary mayor of Melfi at its head. It was a complete flop, with 100 people participating, mainly the bosses and some notable local sellouts. Then FIAT pretended to open negotiations by convening the trade unions and demanding they sign a document which condemned the workers' struggle. The FIM and UILM signed while the Fiom refused and walked out of the negotiations. At this point the employers turned to the government - who from the beginning had not even pretended to mediate and who had openly sided with FIAT - to try to break the struggle and to disperse the pickets with police charges one cold and rainy morning. The workers resisted as one and did not abandon the factory gates. Then the judiciary intervened with injunctions against the Fiom and the delegates to end picketing. At the same time FIAT declared itself ready to reopen negotiations. Expectations were high. How to maneuver and act in such a complex situation? A large assembly was convened in front of Sata to decide how to continue. The top Fiom leaders addressed the assembly with proposals for a change in the form of struggle, while saying that if the workers decided to continue to blockade the gates and the goods, they would respect their choice and would face them with the repressive consequences prepared by the judiciary and the government. The assembly was an extraordinary exercise in workers' democracy which astonished everyone. After hours of dramatic discussions - where workers expressed the fear that, if they returned to the factory, the bosses could exert a stronger blackmail - the decision to lift the blockade, while continuing an indefinite strike of 8 hours per team, was made unanimously; with the workers' assemblies of the various teams confirming this indefinite strike. The pickets were lifted, the strikebreakers could enter... but only 100 workers crossed the threshold of the gates in the following days and the company was unable to resume production.

The unity of the workers had resisted and succeeded, but also important was the unity of the people of the area who came to their support, their sons and daughters. The feeling in the cities and villages where they lived was one of total solidarity and dissuasion towards those who would have liked to resume work and divide the struggle. A big demonstration in Rome in front of the FIAT head office, with the participation of delegations from every FIAT factory, confirmed the combative spirit of the Melfi workers. The FIM tried a provocative diversion to delay the settlement of

the conflict but in the end, faced with a productive loss of 40,000 cars, FIAT had to yield. A productive system conceived in an ultra rigid form, without flexibility, completely centred on the reduction of costs and the maximization of profits, but with limited margins of maneuver, enters into crisis when workers' struggle comes to the surface. "Just in time" is a ferocious system of exploitation, but it is not a perfect machine if workers struggle together

The agreement obtained is a positive response to the demands advanced. It obliges the company to modify the teams, abandoning the obligation to work at night for two successive weeks with only one day of rest, introduces wage parity (although stretched over three tranches), and revises disciplinary measures. The feeling of victory was very strong; with workers showing great enthusiasm in the assemblies which discussed the agreement heckling those trade-union representatives who had sought to impede and divide the struggle.

The referendum which was held after the assemblies confirmed the positive opinion of the workers, with a very strong yes vote on a high turnout. But the fact that a significant minority voted against also testifies to the degree of participation in this decisive struggle. Most Italian workers and even a majority of the public supported this struggle. Thus, it will be a great stimulant to the resumption of mobilizations. Finally a victory has been won on a positive platform. Struggle pays once again.

The struggles of recent years

There has been a substantial modification of the dynamics and nature of social struggles. The struggles of recent years were mainly defensive, even if their breadth, starting from the big CGIL demonstration of 2002, has been often exceptional. In the area of results, the objectives obtained were modest. For example, we succeeded in blocking the attacks on article 18 of the labour code - which prohibits unfair dismissal - but not the introduction of law 30, which straightforwardly transforms labour power into a commodity. This law, through new forms of precariousness, circumvents the protections of article 18 and tends to individualize work contracts. From this point of view, struggles have not been able to stop the offensive of the employers and the government. And these struggles too often took the form of specific demonstrations during which the resolution of problems was delegated to the trade-union organizations and in particular to the CGIL, with a certain difficulty in transferring the conflict from everyday life towards the workplaces. However they were determinant in modifying the social climate as a whole, in line with the growth of the movement against capitalist globalization, thus creating the conditions to overcome the passivity and feeling of defeat in the workers' movement.

It should moreover be recalled that the mobilization against the war and for the withdrawal of the troops has remained very strong in our country. Thus, in the demonstration on March 20 it was rather obvious that if the common determinant and unifying element was the issue of peace, the participants, whether workers, young people, women, those in precarious employment, teachers or students, also took part in a mobilization around their own demands, social and work-related. This is not to mention the increasingly strong aversion, not to say hatred, of the Berlusconi government, which has constantly attacked workers' rights.

These mobilizations thus contributed a lot to creating better conditions for the reorganization of several sectors of wage earners and for a trade-union reorganization. From this point of view, the FIOM played a central role by its refusal to sign two one-sided agreements with Federmeccanica (the employers' association in engineering), which had been endorsed by two other trade-union organizations (FIM and UILM), thus opening the struggle to defend national contracts of employment. The FIOM has also proposed going beyond the policy of dialogue, the particularly subaltern form of class collaboration which lay at the base of the defeats of the 1990s. Finally, the FIOM has reintroduced full participation and workers' democracy in the operation of the trade union and in the struggles, by defending the principle that each platform of struggle and any trade-union agreement cannot be valid without a vote of the workers who are affected.

Thanks to this democratic relationship, we have succeeded in resisting both the employers' offensive and isolation, where the CISL and UIL but also the CGIL have left us. Even the CGIL was marked more by a "political" opposition to the Berlusconi government than by a real change of trade-union contractual policies.

A new phase of struggles

During the last few months we have thus seen a series of very fierce rank and file struggles which discovered or rediscovered very incisive forms of struggle. Struggles which can no longer be characterized simply as defensive, but which much more than in the past have linked the element of defence against attacks with objectives as regards wages and working conditions.

The mobilizations of metalworkers in Genoa and especially in Terni have been very significant (in Terni, the factory was blockaded for 15 days, with an extraordinary participation of the entire population) and this obliged the owner - the German company Thissen-Krupp - to back down. Here again, this struggle was started by the reaction of the workers to negotiations which were being carried out in the most luxurious hotel in the city and which seemed likely to end in an unsatisfactory agreement. Workers tuned up en masse at the negotiations, obliging the Krupp directors to escape by the fire exits. A total blockade of the factory followed, lasting more than two weeks. Here again, a strong capacity to hit the company economically and to rebuild a new workers' hegemony in the region was shown. Once again, young workers were in the forefront, those who had thought they were about to get stable contracts of employment after years of work and who were faced with another retreat on this front.

The mobilization of rail workers has also been significant. With "wildcat strikes" (after many "normal" strikes had no effect on negotiations), they completely paralyzed the principal cities, from Milan to Naples, Rome to Florence. They did not succeed in obtaining what they demanded because of an agreement signed by the three trade-union organizations. On the other hand, they brought about a change in the relation of forces in this sector and obliged the trade-union organizations to immediately redefine a platform of demands for the new contract being negotiated. The struggle of Scanzano in Basilicata was equally significant. The government wanted to install an extremely dangerous slag dump there; a genuine popular insurrection broke out, with a complete blockade of the roads which lasted several weeks and obliged the government to back down. There was a rather similar event in a small city close to Melfi; a significant experience for the same workers who soon after were involved in the FIAT struggle.

Then there was the mobilization by workers at Alitalia, faced with a dramatic crisis of the company and a government plan which envisaged its bankruptcy in order to carve it up and sell off the most desirable parts, with very serious repercussions for jobs. While the workers have succeeded for now in blocking this project, things remain open from the point of view of a final outcome.

The general strike by the trade unions on March 26 to defend what remains of the social security system were widely supported, much more than was forecast, both in terms of the strike and the street demonstrations. In the same way, on May 1 in Milan approximately 50,000 precarious and young workers rallied, a sign of a beginning of struggles even in the weakest sectors and those without experience of combat.

We can also point to the general strike in the public sector (three million workers), a great success with important demonstrations, as well as mobilizations in the schools sector against the reactionary counter-reforms of minister Moratti.

Finally, we should point to another exemplary struggle which lasted approximately 10 months, that of the workers at Fincantieri. Fincantieri is a public shipbuilding company with establishments in the principal Italian ports. In recent

years, in spite of reorganization and significant reduction in the workforce, the workers had succeeded in keeping all the workplaces open, employing 9-10,000 workers. Fincantieri is the only big industrial group where the Fiom has succeeded in immediately obtaining pre-contractual negotiations. [2] The workers approved the platform of the draft collective agreement from June 2003 with a rate of participation approaching 60% (4,505 employees), with 86.63% expressing massive support.

In the following months, various initiatives and trade-union struggles took place. The support of the workers for the Fiom proposals was confirmed, still more in the definition of the platform and the complementary contract which had meanwhile expired. The initiative of this trade-union federation thus developed by holding together the two levels, that of the complementary negotiation and the draft collective agreement, managing in January to block the launching of a big cruiser - the "Caribbean Princess" - and forcing the company to discuss all the platforms presented and to renounce separate agreements.

The confrontation continued in the following months with a succession of strikes, around 70 hours in total, until mid-May, when the negotiations seemed about to conclude with a positive result both on the contents of the draft understanding and the company contract. But the representatives of the UILM and then the FIM opposed the clauses on the contents of the draft collective agreement, thus giving the company the pretext to suspend negotiations. Influenced by the struggle at Melfi the workers blockaded all the construction sites, preventing the launch of a steamer in Marghera and occupying the offices of the management in Genoa. After one week of strikes, Fincantieri yielded, as did the moderate unions. A contract was signed which envisages non-recourse to law 30, the reduction of precariousness and the phasing out of the differences in regime between new employees and workers on open-ended contracts, new rules for the employees of the suppliers, new safety measures and an increase of 130 euros per month on average.

Government and employers' offensive

It would, however, be erroneous to conclude that the Italian situation has seen a total reversal in the relationship of forces. We started from the lowest point to which the workers' movement had fallen, but one swallow does not make a spring. Possibilities have opened up, but in a situation which remains difficult for the working class as a whole. For example, the majority of the national contracts have been concluded with very negative agreements in terms of both wages and greater precariousness of employment, signed by all the trade-union organizations, including the representatives of the CGIL. The first partial victories have still to be consolidated and widened and there is still no global strategy to deal with the axes of the governmental and employers' offensive on all fronts, from pensions to the whole social state, from the regulations of law 30 to the fall in wages, which plunges increasingly broader sections of the population into poverty with dramatic consequences for the social and political cohesion of the working class, already subjected to 15 years of neoliberal policies.

There are other difficulties produced by the economic recession itself, the crisis of decisive sectors of Italian industry from FIAT to Alenia, from Siderurgia to Parmalat, not to mention Alitalia. We face a new and violent offensive against jobs without as yet an overall response to this new phase of capitalist reorganization inspired by increased international competition. Whether in terms of employment, wages, or the social state, the working class continues to face an offensive and until now the trade-union confederations have not developed an overall and unitary response.

The crisis at FIAT

Let's start with FIAT. The situation of FIAT auto remains very serious. The death of Umberto Agnelli, president of the

group and the last representative of the dynasty, creates another element of uncertainty and opens the way to a larger role for the creditor banks. In September 2005, with the maturing of the loan, these banks could become owners of around 30% of FIAT's capital. The Agnelli family now controls around 30% of the capital. New models have allowed a growth in sales and shares of a very modest market in Europe and Italy, a level hardly higher than 2002, the worst year for FIAT. The relationship with the American partner, General Motors, has continued to worsen. Indeed, the head office in Detroit has not invested a penny to recapitalise FIAT and disavows the clauses for the purchase of FIAT signed in 2000 while waiting, like a vulture, for the final crisis of the Italian house, so it can carve off the parts that interest it. The future of the Mirafiori factory in Turin is central here. This factory is at the heart of the productive process, if it goes, there will be no future for FIAT auto as an independent producer; the other factories will have a future only as factories of assembly, to sell to the highest bidder; the repercussions with regard to direct employment and that of the subcontractors would be very serious.

Mirafiori is a wounded giant - in only two years it lost half of its workforce and now has only 16,000 workers - but it remains the greatest industrial and working concentration in our country, a site for which the FIAT management sees no future, as was the case for the installation at Arese in Milan. It is a unit where production falls month by month, with thousands of workers temporarily laid off. FIAT's obvious objective is to render the factory economically useless.

During recent months the workers at Mirafiori have gone on strike frequently faced with FIAT's attempt to introduce the system of exploitation of Melfi, Tmc 2, having recourse at the same time to temporary lay offs, a shameless and provocative attempt to squeeze the lemon dry, before definitively throwing it away.

The game played by the largest company in the country is now arriving at its decisive point. It is the expression and the symbol of the global industrial and economic crisis of the country, the paradigm of the bankruptcy of a capitalist class which believed it could win by overcoming the working class, which certainly scored victories against the workers but without succeeding in breaking them definitively, and which has lost decisive ground in terms of international capitalist competition.

Nationalization necessary

Today FIAT ownership is an insurmountable obstacle to the future of the company; FIAT neither wants to nor can it reverse a situation which has deteriorated so much; it does not have the resources necessary to do so. To keep it alive, to save all the factories for the future of the subcontracting companies, another path must be taken. Without public intervention we cannot save Italy's car industry. Only the nationalization of FIAT can release the resources necessary for a global revival, a productive future which will maintain employment in all the sectors, the needs of the company and the country, and the sub-contracting companies. In itself, the struggle at Melfi will not solve the global problems of FIAT workers, but on the other hand, it creates positive conditions for the revival of a generalized debate on FIAT in order to defend all the productive sites, jobs and working conditions.

Now it is necessary to work to support all forms of mobilization, to widen as much as possible all the breaches which have opened, to multiply the areas of struggle.

At the same time it is clear enough that the convergence and unity of these various mobilizations are necessary. We need a platform of unity on the struggles for jobs, for wages, against precariousness and law 30, for the defense of the social state (pensions, schools, health), a platform where each sector finds a reference, a point of support, the condition for a vast and durable unity able to resist articulated and long-term confrontation.

That is what is at stake here. And we will need to address the trade union Confederations, to build the various

trade-union lefts, inside the CGIL, and the rank and file trade unions. The struggles of recent months make possible this step forward in the mobilization of workers.

The trade-union debate

It would be useful to provide some elements of analysis on the politics of the three big trade-union organizations, the CGIL, CISL and UIL. After a long phase of division, during which the CGIL had displayed a strong political opposition to the center-right government (without this opposition really being translated into a new approach by its federations, with the sole exception of the FIOM) whereas the two other confederations have practiced a policy of separate agreements with the employers' organizations and dialogue with the Berlusconi government, we are now witnessing a rapprochement.

The objective of the confederations is to resume dialogue and agreement with the employers. They think this is possible due to the new turn of Confindustria (the Italian employers' organization) who have elected as president Cordero de Montezemolo, the president of Ferrari and now also of FIAT, thus marking the return of the representatives of large-scale industry to the top of the employers' organization, contrary to the preceding period marked by the primacy of small and medium-sized undertakings.

Confindustria has taken its distance from Berlusconi, is concerned with the terrible degradation of the Italian industrial system which is leading to the break-up of its industries, is aware that research has been abandoned, knows that cost-cutting in relation to labour does not in itself lead to market competitiveness, and wishes to build a new relationship with the trade-union organizations. However, its members want to build on their gains of the last ten years, including the laws passed by the center-right government.

The conditions are thus met to open a new discussion on trade-union strategy. By chance, at the same time as the victory at Melfi, there have been the struggles of the FIOM and the mobilizations in transport and the public sector.

The Confederations do not seek to give an overall answer, unitary in content, capable of defeating the adversary, the reactionary projects of the right wing government and the aggression of the employers. Yes, the economic crisis has weakened the adversaries, but that will push them still more to squeeze the value of labour power.

The platform for the general strike was from this point of view very significant. It aimed at demanding a partial redistribution of income through taxation, perhaps by mutual agreement with the employers, who are also in search of new forms of assistance. The approach of the FIOM on the other hand sought a more radical redistribution of the national income through confrontation with the employers, demands for big wage rises which would hit their profit levels. On the other hand a new unity between the confederations and a renewed dialogue with Confindustria is not only one objective, but, from their point of view, a necessity, an essential means for the main forces of the center-left in their hypothetical alternative to the Berlusconi government.

According to them, one does not fight the right with a platform and a class mobilization, but with an alliance between the centre-left, the union apparatuses and the employers' forces which are moving away from the right. Naturally, all this presupposes that the dynamic of the movement is under control and that the pressure from below does not express itself with all its potential force. This also means that the approach of the FIOM should not spread, even if the leaders of the CGIL have been forced to support the mobilizations of the FIOM by their own internal left forces.

Within this framework the FIOM congress takes on great significance. This federation is today the biggest Italian

sectoral trade union, in spite of the significant reduction in the workforce which has taken place, especially in the big companies; with 367,000 members (out of a little more than a million and half employees in this industrial sector). In several enterprise level union elections, the FIOM has experienced growth.

In the congress two radically divergent political options were put forward on the role of the trade union:

– On the one hand the Nencini document. Although it does not renounce what the Federation has done up until now, it aims at restoring a more moderate line in “coherence” with that of the CGIL and thus, on the political level, another relationship with the forces of the centre-left.

– On the other, the text of the historic leading group combined with the internal left, which places back at the center (as independent and inalienable variable) the recomposition of labour and its unity. This poses a modification of the national distribution of income more favourable to the working class and democracy as a fundamental instrument of the participation of workers and the construction of the platform and the struggles. The content of demands, the forms of unity with the other trade unions and the political perspectives derive from this fundamental axis. Consequently, any government will be judged according to its actions and the choices of the FIOM will be completely autonomous. If this line is developed to the end, it implies not only an end to dialogue, but also questioning of the policy worked out at the assembly of the universal Exposition in Rome, in 1978, when it was decided that wages were to depend on the requirements of the company, in other words profit. We know what happened subsequently, with an accelerated race downwards with the agreements of 1992 on the abolition of the sliding scale of wages and 1993 on dialogue.

The success of the FIOM congress can be measured by the level of participation of the rank and file in the preparation of the congress, with around 220,000 workers involved, and by the success of the left's document which obtained nearly 85% of votes. But this success can also be appreciated by the success of the workers at Melfi and Fincantieri.

If the FIOM succeeds in defending and renewing the national contract, opposing precarious work and reconquering the share of wages, it will be easier to have an impact on the dynamics of the internal debate in the CGIL. We are taking the first steps in a process of trade-union recomposition and reconstruction of a new labour movement. *F. T.*

[1] The Italian trade-union movement is divided into three historical confederations: The CGIL (Italian General Confederation of Labour) is the biggest confederation with 5.3 million members, of which only 50% are still active wage earners. It is led traditionally by the spokespersons of the former CP, now the Left Democrats (DS). Today, it is led by a regroupment of forces considered to be on the left of the DS, but very much in a minority in this party. Inside the CGIL there is a left tendency which includes about 20% of the members and is called “Change of orientation”. Over the last two years, the leadership of the main metalworkers' union, FIOM has appeared as a left wing of the CGIL.

The CISL, (Italian Confederation of Workers' Trade Unions), is the second biggest confederation. It has 3.7 million members, half of them retired, and has adopted increasingly moderate positions. It has a neo-corporatist orientation based around employers-government-trade union agreements. The FIM is its federation in metalworking.

The UIL (Italian Union of Labour) has more than a million members. Its orientation is similar to that of the CISL. The UILM is its federation in the metalwork structure.

Apart from the three confederations it is necessary to mention the existence of new trade unions, structured by rank and file committees, in particular SIN COBAS.

[2] The pre-contractual negotiations were initiated by the FIOM in spring 2003 after the other two trade-union organizations, the FIM and UILM,

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signed a very negative national contract from the point of view of wages and norms. The FIOM has not signed and has organized negotiations factory by factory to fight for the contents of its platform voted for by the workers and to impose through this the full recovery of the national contract. Today, there are 2,200 pre-contractual negotiations opened which affect approximately 600,000 employees. Around 500 pre-contractual negotiations have had a positive conclusion, affecting 130,000 workers and guaranteeing wage rises and clauses against precarious work.