

Trade unions in Italy play crucial role in the abolition of workers' rights

Marianne Arens
30 March 2012

Italian prime minister Mario Monti knows he has nothing to fear from the unions and Italy's pseudo-leftist organisations as he introduces his new labour reform. The bill introduced by the government overturns Article 18, which previously guaranteed Italian workers relatively extensive protection against dismissal. It permitted workers in firms with more than 15 employees to sue for reinstatement in the case of "unfair dismissal".

Article 18 was introduced in May 1970 as part of the Workers' Statute (Statuto dei Lavoratori) along with the right to freedom of assembly, the right to free choice of union representation, protection against health hazards, and arbitrary actions by employers. These gains were a direct consequence of the "hot autumn" of 1969, when a wave of strikes took place across northern Italy involving 2 million workers, with its epicentre in the Fiat auto works.

Article 18 has in practice been thoroughly watered down in recent years. Although workers could not be dismissed so easily, employers resorted instead to introducing short-time working for many workers who then drew greatly reduced wages from the country's Cassa Integrazione. At the same time, the employers went ahead with their plans for plant closures and mass redundancies (most recently the Fiat plant in Sicily in 2011). As is the case in other countries, employers increasingly replaced full-time workers with temporary contract workers at much lower wages.

The latest draft of the labour reform now makes it easier for companies to implement layoffs for "economic reasons". The draft provides for a shortened appeal and trial process and stipulates that severance payments to laid-off workers cannot exceed a sum of between 15 and 27 months' wages—irrespective of how long they have worked for the company.

When parliament agrees to the "reform," then the consequence will inevitably be a new wave of layoffs.

Many Italian companies such as Fiat have already worked out their plans for mass redundancies for "economic reasons".

The Italian economy has officially lurched into recession. The country's economic statistics for the end of 2011 released in mid-March showed that gross domestic product had declined in the fourth quarter of 2011 by 0.7 percent compared to the previous quarter.

Due to the downturn in European demand, the situation at Fiat is particularly critical. Fiat boss Sergio Marchionne recently threatened to close two plants in Italy and transfer the company headquarters from Turin to Detroit, home of its American partner Chrysler. The only way to stay in Italy, Marchionne argued, was "to create a flexible work environment to deal with supply and demand". Marchionne has specifically welcomed the government's new measure to do away with protection against dismissal.

When Mario Monti arrived for the cabinet meeting last Friday at which Paragraph 18 was overturned, he arrogantly told the press that the issue was settled. He did not intend to return to the type of culture of reconciliation ("consociativismo") that prevailed in the 1970s. "No one has a right to veto", Monti said. He spoke on March 23, the day 10 years previously when 3 million people demonstrated in Rome against the Berlusconi government to defend Article 18.

Monti's arrogance and provocative statements are based on the fact that he knows he faces no opposition from the country's trade unions (including the "left" CGIL), or fake-left organisations such as Communist Refoundation (RC) and the various successor parties of the Italian Communist Party (PCI). They all have laid out a welcome mat for the non-elected prime minister appointed by the European banks to administer a drastic austerity cure for the Italian working class. The recent "reform" is an important element of this programme.

Just a few days before the crucial cabinet meeting, Monti had invited the shining white hope of the “left”—the Apulian regional president Nichi Vendola (formerly RC, today SEL)—to the Palazzo Chigi to ensure Vendola’s support for the labour market reform.

While the second and third-largest unions, the CSIL and UIL, have openly agreed to the reform, CGIL and its metalworkers section, FIOM, have threatened a two-day general strike in response. In fact, this division of labour has one purpose: the CGIL/FIOM action is aimed at allowing angry workers to let off steam, then permitting the passage of the new reform.

All of the unions, including the CGIL, had already signed an agreement in 2009 with the Italian business association Confindustria designed to “speed up” labour relations. This deal flew in the face of the existing national labour contract.

CGIL leader Susanna Camusso has worked for three months in close partnership with labour minister Elsa Fornero on the new labour law. Now, the union is warning the government against implementing it too hastily. Camusso told the press, “The risk of course is that tension increases because one continues trying to divide the country. We have always placed much emphasis on our aim of uniform agreement and now we see that the government does not play its part in this respect.”

This is hardly the language of a challenge to the government.

The CGIL has not yet said when it will call a strike and is apparently waiting for the parliamentary debate on the reform. There, the government can rely not only on the support of Berlusconi’s PdL party and the Third Pole led by neo-fascist Gianfranco Fini, but also the Democratic Party (PD), which has its roots in the PCI.

The PD discussed its approach to the reform on Tuesday. PD leader Pierluigi Bersani then told the newspaper *Unita* that its party’s support for Monti is unwavering. The government, he pledged, would remain in office until 2013 as planned.

The non-elected Monti can rely on a broad coalition stretching from the right to the nominal left. This allows him to carry out dictatorial measures in the interest of the banks without officially doing away with the democratic trappings of the state.

Last Sunday, the *Corriere della Sera* described the scene at the fringes of the Economic Conference on March 24 in Cernobbio. During the meal, Mario Monti asked union boss Camusso to sit beside him while other politicians assembled around the pair. Journalists eagerly

followed the subsequent exchange.

Here is a brief excerpt. Monti to Camusso: “It seems to me that when you go we have yet to make our peace.” Gianfranco Fini then intervenes: “The government has decided now it’s the turn of parliament. And the social partners (i.e., trade unions) have the opportunity to...watch.”

Camusso: “Watch? Exert pressure!”

The scene demonstrates the complicity of the leaders of the trade unions with government and the political parties—all of whom are on first-name terms. All of them are completely removed from the concerns of ordinary people, whose lives are becoming increasingly intolerable.

This is reflected in the poll figures for Monti. According to a survey commissioned by *Corriere della Sera*, the number of those who support Monti’s policies has plummeted in just two weeks from 62 to 44 percent.

The social situation in Italy, which was exacerbated by Monti’s first two austerity packages (“Save Italy”, “Grow Italy”), is deteriorating significantly. Youth and senior citizens have been hardest hit. Prices are exploding and jobs are hard to find. Gasoline prices have quickly risen to €2 per litre (US\$2.65), under conditions where the government applies a tax of over 57 percent—one of the highest rates in Europe.

Hundreds of thousands of elderly people are already suffering from the pension reform included in the first Monti austerity package. According to the “Report” programme on Rai 3 Sunday evening, 350,000 older workers have been left out in the cold. Under the previous pension rules, they had agreed to semi-retirement or early retirement at their workplace. They gave up their jobs, but according to Monti’s new rules, they will receive no pension, and now have no chance of finding a new job.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact