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Car industry

Fiat: Building unity between workers in Poland and Italy

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Under the leadership of Sergio Marchionne, the FIAT group has declared war on its workers. They acquired Chrysler in the United States - without spending a penny and benefiting from billions of dollars in subsidies from the Obama government - and obtained the capitulation without a fight of the United Automobile Workers (UAW) union, which undertook not to strike until 2015. The UAW also accepted a reduction of bank holidays, the non-payment of overtime and a decrease in medical assistance for pensioners.

Through the workers' pension fund, which it controls, the trade union also became a shareholder in Chrysler, with 55 per cent of the shares but without the right to intervene in the management of the company, which Sergio Marchionne manages, although FIAT has only 35 per cent of the shares.]]. Now management of FIAT is pursuing its attacks on workers in Italy, Serbia and Poland.

In Italy, after having announced the closure of the Termini-Imerese factory (in Sicily) for 2012, the FIAT management resorted to blackmailing the workers of the of the Pomigliano d' Arco factory (near Naples, Campania) with the threat of losing their jobs, putting them in competition with the workers of FIAT Auto Poland (the factory in Tychy, Silesia, which at present produces the FIAT 500 and the Panda). By dangling before the workers the incentive of repatriating to Italy the production of the Panda model, the management got adopted by referendum an agreement [1] which makes nonsense of the collective agreement of the industry.

The factory was removed from the group in favour of the creation of a "new company" which will no longer comply with the old social regulations. The number of hours of overtime will increase from 40 to 120 annually. The factory will work 24 hours a day, six days a week. The workers will lose ten minutes break a day. The first three days of sickness leave will no longer be paid systematically [2].

In the same vein, the direction of FIAT Auto Poland tried to impose flexible working. Faced with the refusal of the majority union - WZZ "Sierpien 80" ("August 80" Free Trade Union) - and not being able to get it through because of the Polish labour regulation which requires that the representative trade unions accept modifications of collective agreements, the employers started to harass the union members: "Here is a letter of a resignation from the union, if you want your work contract renewed, sign here!" - that is what the workers with a temporary contract heard, when they were called in by their foremen. "We cannot renew your contract... unless you convince your colleagues (those who had permanent contracts) to leave "August 80", then we could make an effort... ". The goal was to reduce the membership of the union which, if it had less than 10 per cent of the workers, would cease to be representative and its signature would no longer be essential ... The employers only succeeded in making about a hundred union members cave in [3], not enough to break the union! But the attacks continue; the management reduced last year's Christmas bonus, accusing "August 80" of being responsible for it. The harassment continues.

In 2008, FIAT acquired 67 per cent of the shares of the Zastava factory in Kragujevac (Serbia), rebuilt by the workers after the bombardments of 1999, obtaining moreover from the Serb authorities 200 million euros of aid and receiving the site rent-free, while promising to invest.

The "new company", Fijat Automobili Srbje (FAS) was in theory meant to re-hire the Zastava workers. But in December they learned from an article in the weekly magazine *Polityka* that there would be 1566 workers laid off... Faced with a strike Marchionne played the innocent: it was not the FAS, it was the Serb government, owner of Zastava, that was concerned! And the government announced a "social plan" for the 910 workers who had more than five years to wait before retiring and early retirement for the oldest workers. "Take it or leave it, if you don't like it, you

won't even have the 20,000 dinars [approximately 200 euros] monthly allowance”.

After five days on strike and the occupation of a building in the centre of the city, the strikers became divided and the Samostalni trade union decided to sign the agreement. Rajka Veljovic, the person in charge of the international relations of the union, explained to *Il Manifesto*: “We lost. (...)FIAT workers all over the world should unite and coordinate their strike initiatives. Make a sort of international strike. That's the only way to win the struggle. We've been talking about it since 1999. We need a new trade-union coordination in Italy. ” [4]

At the same time Marchionne attacked the historic core of FIAT, the Mirafiori factory in Turin. There again, it was blackmail over jobs that was used by him as lever to finish liquidating what was left of the working-class conquests of Italy's “Creeping May” in 1969. Following the example set at the Pomigliano factory, the FIAT management proposed to the unions an increase in working time, its intensification, no payment of benefit for the first three days of sickness, the limitation of the right to strike, in other words an agreement that was exorbitant compared with the collective agreement of the engineering industry. All of this while transforming FIAT-Mirafiori into a “new” company, “Chrysler-FIAT Joint Venture”. Such an agreement, signed on December 23 by the UGL and FISMIC (minority) unions, was refused by the majority union, the FIOM, which explained: “they want a contract in which they would choose the articles they liked in the same way as you choose products on the shelves of a supermarket. They want a contract which is freed from Italian and European social rules, i.e. a kind of free zone”.

The FIAT management threatened that the investment that was envisaged at Mirafiori would be delocalized to Illinois in the United States. It was supported by the Berlusconi government, whose Minister of Industry announced that “the investment planned for FIAT Mirafiori is so important for the future of the Italian economy that it requires abandoning all prejudices and rigid formalism”. FIAT organized - again - a referendum on 13-14 January, 2011. The workers of Mirafiori had the choice: vote “yes” or “no” to the December 23 agreement - but, as Marchionne said, “the transfer of production from the Turin factory to the United States is an option if an agreement is not reached...”. The “Yes” won (54.3% per cent of the vote), but only thanks to the votes of management employees and executive staff. The majority of the workers on the assembly lines voted against the agreement.

In an interview with *Repubblica* on January 18, 2011 Marchionne no longer concealed his intentions: “The agreement has already been concluded in Pomigliano and I cannot accept two different systems in the same company and for the same work.” He announced that there would be no more negotiations, even though half of the workers did not accept the agreement, referred to the FIOM as a “reality of the past” and explained that “those who are not contractors cannot profit from the contract”, in other words that the FIOM, which was not a signatory to the agreement, could not be chosen by the workers of FIAT!

On January 28 a one-day general strike, called by the FIOM and the rank-and-file trade unions – the COBAS and the USB [5], had also refused the agreement of December 23, 2010 - blocked the Italian engineering industry. The struggle continues...

Polish-Italian working meeting

Faced with the attacks of the management of FIAT, the Polish trade union “August 80” and the Italian anti-capitalist organization Sinistra Critica took the initiative of starting an exchange of experiences and information between FIAT workers in the two countries. Several dozen workers from FIAT and Italian sub-contracting companies thus took part, on Sunday December 5, in a room at the ARCI people's house in Turin, in a seminar, with the presence of trade unionists from the FIOM-CGIL, the COBAS and the USB, as well as two representatives of “August 80” from FIAT Auto Poland from Tychy and from sub-contracting companies in Poland.

Fiat: Building unity between workers in Poland and Italy

It was first of all a question, as Franco Turigliatto, former senator and leader of Sinistra Critica, stressed in introducing the discussion, of knowing and understanding the diversity of cultures, experiences and situations, as well as establishing links between the biggest trade unions at FIAT in Poland and in Italy.

Franciszek Gierot, president of "August 80" at FIAT in Poland, thus told the history of his union, which has 2400 members today, created in 1991 by eight trade unionists who refused the unprincipled compromises of the "Solidarity" trade union with the government which was restoring capitalism and, in particular, carrying out privatizations. At the end of July 1992, the Polish government sold to FIAT for a mess of pottage - the equivalent at that time of four months of a worker's wage, about 400 euros in today's money - the FSM factory, built at the beginning of the 1970s, which produced the Polski-FIAT 126p. The workers, to whom had been held out the dazzling prospect of becoming "worker-shareholders" and who did not even have access to a single share, revolted. A strike began, with occupation of the factory.

After a few days the trade unions that were then dominant - "Solidarity" and the old official trade union OPZZ - chose their camp: champagne and fancy biscuits alongside the FIAT managers and the government. A strike committee was elected. The strike and occupation of the assembly line factory of Tychy lasted for 56 days, encircled by the police, facing the mobilization of strike-breakers whom the yellow trade unions had convinced that the strike would lead to the liquidation of the company and to 26,000 workers being laid off...

"We did not succeed in preventing privatization for the benefit of FIAT" - explained Krzysztof Mordasiewicz, vice-president of "August 80" at FIAT in Poland - "but we succeeded in preserving the company's health service, something that the workers of FIAT and the sub-contracting companies coming from the FSM are proud of today, a recreation centre where we can relax, and we obtained pay rises, which put them above the average wages of the engineering industry in Poland". At the end of this strike the "August 80" trade union became the biggest union in the ex-FSM, functioning as an inter-enterprise union, operating both in FIAT and in the enterprises to which work had been outsourced. It also succeeded in exposing all the underhand manoeuvres that had allowed FIAT to seize control of the company, which were confirmed by the report of the Supreme Chamber of State Control, but buried by successive neoliberal governments. "But although we did not prevent the theft of public property in our enterprise, our strike obliged the government to slow down privatizations and to no longer organize them in such a crude fashion..."

Speaking in the name of the Fiom at Mirafiori, Edi Lazzi explained the strategy of FIAT in Italy today. Italian production is falling - 900,000 cars in 2007, less than 600,000 in 2010. Mirafiori is still the biggest FIAT factory in Italy, but whereas in 2006 it produced 217,000 cars, in 2010 it will produce only 119,000. Marchionne uses this drop in production to reduce employment and wages, to call into question workers' rights, to put his workers in competition with each other, playing one enterprise against another, one country against another. Everything that the management succeeds in taking away from workers in one factory, it uses as an example to impose in another. In Pomigliano they said that if the workers do not give in, then the Poles will produce on FIAT's terms. Today it is Pomigliano which serves as a "model" to make Mirafiori yield... In Pomigliano, the Fiom was the only union which refused to sign the agreement.

Now Marchionne wants to impose the same thing at Mirafiori. The contract is still being negotiated, but as it is shaping up, the Fiom will not sign it. "What is at stake here? To intensify work for the same wages, to liquidate the rights won by the workers, to bury industry-level collective agreements - the agreement that is being proposed is inferior to the national agreement in the engineering industry. The "new" company which would replace FIAT-Mirafiori would not be part of the employers' federation, Confindustria [\[6\]](#), so as not to have to respect the collective agreement signed by it! (...)

The management of FIAT wants to impose the reduction of pauses from 40 to 30 minutes, to impose meals being taken after work and not at the normal meal hours - the canteen would no longer be open at those hours! -, to no

longer pay sick pay after the second period of time off for sickness in a year, to make workers sign a “responsibility clause” which would prevent them from striking against the agreement, threatening them with “dismissal for misconduct”, to increase to 120 the number of hours of overtime that the management could impose on workers without control by the unions, to make the production lines function six days out of seven, with teams working 10 hours a day, for four consecutive days, in rotation... The FIOM refuses that. Tomorrow Mirafiori starts production again, after five weeks of the workers being laid off, for four days, before a new lay-off until January 11. At 5 o'clock in the morning the FIOM will distribute a leaflet, to invite workers to discuss the contract and to see how they react...”

Alberto Tridentate, former leader of the Metalworkers' Federation (FLM) and former MEP for Democrazia Proletaria, now retired, who is doing his best to help the trade unions of different countries to establish relations and to fight together, then recalled the experience of trade-union internationalism, between FIAT of Turin and SEAT of Barcelona, in the 1970s, when Spain was still living under the dictatorship of Franco. “Today it is much easier to cross borders, to organize meetings. We have to prevent the European Union imposing regulations which put workers of different enterprises in competition with each other; it is possible to prevent the management of FIAT from exploiting trade-union divisions. We must not only defend ourselves, we must take the initiative again. It is possible to fight against competition between FIAT workers in Italy, Poland, Serbia, Turkey... The strategy of the unions can start with a common defence, but we must also be able to move onto the attack against the employers. And he recalled that in the 1950s the income of the company president was fifty times that of a worker - which we considered to be excessive... - and that today it is 500 times greater!”

Luigi Casali, of the national leadership of the Rank-and-file Trade Union (USB), insisted on the importance of getting to know each other, of exchanging experience. He proposed organizing an international meeting with the Polish comrades.

A delegate from the FIOM at Mirafiori announced that the following day the workers of FIAT would mobilize for the reopening of the negotiations broken off the day before by Marchionne, that the FIOM would propose a walk-out, a march and a meeting. “We hope that the Polish comrades can be present!”

Uniting the workers of Europe

Edi Lazzi: “The strategy of FIAT is to divide us, so we need at least exchanges between us, moving towards coordination, then towards a common struggle”. Krzysztof Mordasiewicz (“August 80”) continued: “We must have better knowledge of our respective gains and fight together to level upwards working conditions and wages”. “To do that”, added Franciszek Gierot (“August 80”), “we need meetings of European car workers, not only from FIAT but also from Renault, Peugeot, Opel, Volkswagen, Volvo... It's the only way to seek a common matrix which makes it possible to fight against wildcat capitalism. We are at the eleventh hour. If the employers are able to break us at Mirafiori, they will destroy us in Tychy and elsewhere in Europe. ” Alberto Tridente: “Serbia and Turkey are on the waiting list to join the European Union. Either we manage to impose European wages, or social dumping will carry the day. ”

Luigi Malabarba, a leader of Sinistra Critica, a former senator and a former union leader at Alfa Romeo in Milan (which has already been closed down): “Today the combative trade unionists of different countries, even if they have the same employer, do not know each other... It is not a question of distance or of the language barrier - in 1906, when the national union was founded in Italy, we didn't speak the same language and it was much more difficult to travel. It is a subjective problem, a question of will, of imagination. The European Metalworkers' Federation could do it, the FIOM has the means, even the rank-and-file trade unions, which are weaker, could organize meetings and international cooperation between trade unionists. It was possible to organize a European strike against the closure of Renault Vilvoorde (in Belgium) in 1997... The FIOM could take the initiative of a European meeting of FIAT unions

to start to work out a common platform..."

After having underlined the need for the unity of the combative trade unions - not only between the FIOM and "August 80", but also between the FIOM and the Italian rank-and-file unions, Franco Turigliatto stressed that following the example of the meeting in progress, it was also necessary to establish working relations between the trade unionists and the political activists who are on the side of the workers ("even though the majority of the political representatives, in the governments, the regional institutions and the municipalities are on the side of Marchionne and not on the side of the workers, there are nevertheless some who are on the side of the workers!"). Taking up the idea launched by Franciszek Gierot, he proposed a European car workers' meeting, together with anti-capitalist parties and combative trade unions, as quickly as possible, and announced that the International Institute for Research and Education in Amsterdam was ready to accommodate it.

Exchanges of information

The discussion continued about exchanging information, wages at FIAT (on average around 850 euros net, including overtime and bonuses, in Poland; around 1250 euros net on average at Mirafiori); overtime (150 hours in Poland, as against still 40 hours in Italy, but if the trade unions give their agreement in Poland, the number of hours of overtime can increase, up to 416 hours in a year...); work contracts (in Italy the workers on short-term contracts have been laid off - at FIAT Auto, out of 6401 workers, 1200 are employed on contracts that are renewable every month...); intensification of work (Krzysztof Mordasiewicz: "We went from 20 cars produced per worker per annum to nearly 100... But be careful, that testifies not only to the intensification of the rhythm, but also to the outsourcing of everything that is not assembly work..."); industry-wide collective agreements (Nina Leone, delegate of the body shop at Mirafiori: "In Italy it is the very idea of industry-wide collective agreements that make it possible to impose, thanks to the relationship of forces in big companies, a minimum of conditions in the smaller ones, which is being attacked today, with Marchionne in the front line... And in Poland?" Krzysztof Mordasiewicz: "In Poland we had negotiated for nearly six years, then when the agreement was ready, the bosses who were opposed to it left the employers' organization and established another one... and it was not signed by the employers... Is that what inspired Marchionne to consider leaving Confindustria?").

There were also exchanges about the strategy of FIAT. In Poland, the management is trying to break the "August 80" union. But the union is defending itself, not yielding, going over to the attack. Thus, "August 80" has collected recordings of the pressures exerted on workers - to force them to leave the union, to oblige them to take unpaid holidays when production stopped to prepare the introduction of the new model which will be produced next year... - and provided this documentation to the factory inspectorate. FIAT workers went and took part in their own way when the director Arlet was decorated with the medal of "excellent manager", carrying banners which proclaim "excellent manager = harassment", "a prize for the kapo", "FIAT is good in the media, inside it's a labour camp"... And the union invited the Minister for Labour so that he could see what conditions were like at FIAT - the management refused him access, on the pretext that the union only had the right to invite trade unionists (!). So the meeting took place at the head offices of "August 80" in Katowice - but for the workers of FIAT Auto Poland it was the proof that their union is strong, that it can even have relations with a minister, whereas the management of FIAT is afraid.

"What is at stake for Marchionne is to break the workers' resistance, and thus to take advantage of the crisis to break the combative trade unions. We are able to defend ourselves, but to take back the initiative, we have to do it on an international level, because Marchionne can play on this level", explained Krzysztof Mordasiewicz. In Italy also the goal is to break the FIOM: "The management plays on division between unions, with the aim of isolating the FIOM", explained Edi Lazzi.

The "responsibility clause" is also an anti-union weapon: Marchionne wants the unions that refuse to sign it to lose their rights in the company...

Concluding the meeting, one of the organizers said: “The strength of Marchionne is his ability to divide the workers, union against union, factory against factory, country against country... But he is afraid of our co-operation. So the management of FIAT Auto Poland was furious when it learnt that the comrades of “August 80 “ were going to meet the workers of Mirafiori. Marchionne clearly asked them right away how they controlled “their“ workers... So this meeting has a symbolic dimension. But imagine Marchionne faced with a strike starting at the same time in Tychy and Mirafiori... Our meeting is a step in that direction...”

A very useful exchange. “In one day I learned more about work in Italy than I had done by searching for information for eighteen years”, Franciszek Gierot said to me at the end of the day.

Walk-out at Mirafiori

On Monday December 6, it was cold, snowflakes were falling. Since five o'clock in the morning the discussions on the assembly lines had not stopped, the tension was rising. “Marchionne wants to make us slaves, ready to do his every bidding”, explained a delegate of the Fiom. At ten o'clock the walk-out began. Several hundred workers, trade unionists of the Fiom, activists of the COBAS and non-unionists took to the street. Prepared by the Italian comrades, a Polish and Italian banner welcomed them: “We are fighting for the same thing! Workers of all lands, unite! “. Edi Lazzi of Fiom-Mirafiori and Federico Bellono, general secretary of the Fiom in the province of Turin, gave an account of the negotiations, explained why the Fiom refused such an agreement and called on the workers to continue the fight.

Franciszek Gierot of “August 80” was invited onto the platform. He called for a united trade-union front across borders and saluted the determination of the Italian workers, ready to strike although they had already lost a fifth of their incomes because of the lay-off. For the first time in eighteen years proof had been given that the management cannot play on the competition between the workers in Poland and those in Italy. “Polacchi? Italiani? Metalmeccanici!” [7] a striker said to me.

The relations between unions that started in December 2010 have continued. On January 13, 2011, just before the referendum at Mirafiori, “August 80” sent a declaration of support to the Fiom: “We call on the workers of FIAT: reject this shameful agreement!” On January 17, 2011 Giorgio Airaud, national secretary of the Fiom in charge of the car industry, was in Poland, where he met the trade unionists of “August 80” in Katowice. Interviewed by the Polish press agency, he explained that “FIAT would like the workers to elect only representatives of the trade unions which are in agreement with its policy, which is an attack on liberty that at least half of the FIAT workers refuse” and that “the Fiom considers that the negotiations are still open, because it is impossible to manage a divided factory.”

“The Fiom will thus continue the fight”, he continued, opposing the idea that the workers of Italy should be set against those of Poland, and reciprocally. “For this reason we are opening a dialogue with the representative trade unions at FIAT in Poland. We need joint union actions. We have the impression that FIAT wants to impose the same employment policy in all its factories, and that that was accelerated by the acquisition of Chrysler.” For his part, Boguslaw Zietek, president of the “August 80” union stressed that co-operation with the Fiom made it possible for Polish trade unionists to better know the “true intentions” of FIAT in Italy and that “the same events are also taking place in Poland”, presenting journalists with the documents and the recordings which testified to the determination of FIAT to force the workers to resign from the union [8].

The day before the January 28 strike of Italian metalworkers, the “August 80” union wrote: “The Free Trade Union of August 80 of FIAT Auto Poland and the representatives of our union in the car industry, as well as a large number of FIAT workers in Poland, support the action of the Fiom in defence of the collective agreements of Italian FIAT workers. August 80 protests firmly against the solutions of the Marchionne plan, whose implementation is in preparation and which consists of systematically limiting the rights of the workers, of liquidating the gains they have

obtained over several decades and of obliging the workers to make extra efforts without, however, increasing their wages.

The attempt to eliminate the FIOM from the FIAT factories, because it refuses such a Draconian limitation of the rights of the workers, indicates that FIAT and Marchionne have de facto declared war on their workers. (...) The task and the obligation of a trade union is to defend the rights of the workers. For this reason we send the expression of our total support for the actions of the FIOM. We wish you victory, because it will be the victory of all workers."

On January 28, hundreds of workers of FIAT Auto Poland demonstrated in front of the Italian Embassy in Warsaw (350 km from their factory in Tychy) in solidarity with the strike of the Italian metalworkers, at the call of "August 80". In Turin, addressing the demonstration, Giorgio Airaudò applauded the trade-union delegations that were present to express their solidarity, from the CGT (France) and IG-Metall (Germany) as well as the "August 80" union, which "not only is in solidarity with us, but supports our demands".

Jan Malewski, editor of Inprecor, is a member of the Executive Bureau of the Fourth International and a member of the New Anti-capitalist Party (NPA) in France. He took part organizing the Polish-Italian meeting in Turin.

[1] The majority union, the FIOM-CGIL, refused this agreement, approved by the minority trade unions UIL and CISL. In the referendum on June 22, 2010, 63 per cent of the workers on the Pomigliano site voted for the agreement, while 37 per cent of them followed the opinion of the FIOM and the rank-and-file trade unions. This referendum was organized more or less as a plebiscite and the fact that 37 per cent of the workers had the courage to vote "no" almost constituted a political victory for the class-struggle trade unions.

[2] In Italy sickness pay is dealt with by social security as from the fourth day, the first three days being the responsibility of the company. This is what FIAT is calling into question.

[3] *Mikroinformator* n° 302, December 2, 2010 (bulletin of WZZ "Sierpień 80" of the FIAT Auto Poland enterprises, of its subcontractors: Sistema, Delfo, Ceva, Comau, Powertrain, Sirio, Nosag, Cablettra, Formpol, Lear, Fenice, DENSO, Components Plastic, GalvanoTechnika, DP Metal, Serwis Paint, Pröma, Flexider, STR, Master and of the Tesco supermarkets.

[4] Tommaso Di Francesco, "Hannon licenziato I lavoratori Zastava", *Il Manifesto*, January 13, 2011.

[5] The Fiom is the Metalworkers' Federation of the biggest Italian trade-union confederation, the CGIL. It is more combative than its confederation. In FIAT the Fiom is the main trade union. The Confederation of rank-and-file committees, COBAS, was formed in 1986-1987 by combative trade-union activists, starting in the education sector after following a strike characterised by self-organization. The *Unione sindacale di Base* (USB, Rank-and-file Union) is a new organization of the rank-and-file trade unions, founded in May 2010 by several sectoral rank-and-file unions.

[6] Confindustria is the main Italian employers' organization.

[7] "Poles? Italians? We are metalworkers! "

[8] PAP news agency, "Lewicowe zwi?zki: FIAT ujednocila polityk? pracownicza?" ("Left trade unions: FIAT unifies wages policy"), January 17, 2011.