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# ECHANGES

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BULLETIN OF THE NETWORK  
"ECHANGES ET MOUVEMENT"

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# ECHANGES

BULLETIN OF THE NETWORK *ECHANGES ET MOUVEMENT.*

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## ABOUT THE PRODUCTION OF ECHANGES

As has been the case on a number of occasions lately, we're sorry that another issue of the English edition of *Echanges* appears with a delay. As usual we try to compensate for this delay by issuing a double issue. The reasons for these delays have not been solved, but has been accounted for in the previous issues and don't need to be repeated in detail here. It has to do with how the people involved and doing various tasks are scattered all over Europe (typing and editing in Belgium, final editing and paste-up in Norway, printing and distribution in France...) and the various activities and problems of the people concerned. We're still trying to improve this situation. However, it's important to say two things: 1. There is no problem with material for *Echanges*. Presently there's a lot of good material for the next issues finished or more or less ready. 2. All old and new subscribers will receive the full amount of their money through ordinary issues and pamphlets.

This issue contains a lot of material which is not recently written and/or not about events this year. This only partially has to do with the delay in publication. The *Echanges* bulletin has never been a publication for any 'intervention' or analysis of what is going on right now. So when material is available which is readable and can provide some understanding, we publish it even if it's not recent. That it is not published at once is due to various things: that translations we make ourselves can take a long time (for example material on France in this issue), that for various reasons it did not fit into the previous issue, etc., or that one simply too late thinks about using some material (for example article on Guatemala in this issue). For all such material in this issue it is mentioned in the introductory remarks to it why it appeared late and why we still

prefer to publish it, as well as what kind of more recent material that will appear in the next issues.

We are presently planning a number of new pamphlets in English and French, some of which will be ready quite soon. This includes a pamphlet on an important debate on 'post-fordism' and new production techniques. A number of pamphlets are also being more or less constantly reprinted due to a continuous demand: 'France - Winter 86/87 - An attempt at autonomous organisation - The railway strike', 'The COBAS - A new rank and file movement - Italy 1986-87', 'The refusal of work', and the pamphlet on the workers' uprising in DDR 1953 will appear in a new enlarged version.

Planned material for the next issues includes material on: Latin America - Class struggles in France 1991-92 (general analysis, '91 Renault strike, '92 lorry drivers actions) - Discussion on alternative struggle organisation and unions - Struggles and social conditions in the US - Class struggle in Spain (bus drivers, miners...) - Struggles on German miners - Struggles in Italy - Chronology of class struggles in the ex-USSR - Yugoslavia - Indonesia.

The cost of publishing *Echanges* is increasing, mainly postage costs. We try to keep the subscription price as low as possible, but any small contributions to our production of bulletins and pamphlets is appreciated. We also ask those receiving the bulletin but not interested in having it any more, to tell us, and that people who move to a new address notify us. Each time a great number of copies are returned because people have moved.

It should also be noted that from this issue we only give the French address of *Echanges*. All correspondence and order for material should be sent to this address for the quickest possible response. The English address is still valid, but mail to this address is less frequently collected.

The English edition of *Echanges* is presently distributed to individuals, journals and organisations in at least the following countries: Argentina, Australia, Belgium, Canada, Denmark, Germany, Greece, France, Holland, Hong Kong, India, Italy, Japan, Korea, New Zealand, Norway, Portugal, Spain, Sweden, Taiwan, Tchechoslovakia, United Kingdom, USA. It has been some interest among *Echanges* readers in the same area (for example in the US) to take up some contact for discussions, exchange of material etc., and anyone interested could take contact with us. Frequently readers also write to the French and UK *Echanges* addresses to try to meet comrades involved with *Echanges* when they go abroad. We are very interested in these contacts and appreciate that people take contact especially when they go to France, Holland, Germany, Belgium or Scandinavia where it's often easy to meet people involved. However, we advise people to contact us as soon as possible, because everybody involved with the production of *Echanges* travels a lot and are frequently away from the cities where they live.



# FRANCE

Below we publish two texts on class struggle in France which we would have liked to publish in English much earlier. Various problems of workload and translations have prevented us from quickly making available acceptable English translations. The first text is a summary of a long article which it hasn't been possible to have translated in full. The second text is a translation of an article which earlier appeared in the French edition of *Echanges*. Since both texts are worth reading even if they're not recent, we publish them in this issue, and in the next issues there will be more recent material. This will include articles on the 1991 Renault strike and the 1992 lorry drivers' actions, plus a long overview of class struggles continuing the article 'Struggles in France 1990' published below.

## THE CO-ORDINATING COMMITTEES IN FRANCE: A NEW FORM OF ORGANISATION IN THE CLASS STRUGGLE?

*Echanges* and *Liaisons* has made several texts which deals directly or indirectly with the coordinating committees in France. The pamphlet 'France, winter 86-87: The railways strike - an attempt at autonomous organisation' analysed one of the first strikes in which a coordinating committee appeared and where a national strike began, spread and organised itself completely outside the unions. This text brought about a critical discussion article in *Echanges* no. 61: "Is direct democracy really possible?" In the same issue there was a long article dealing with the rail strike and in particular the student actions in the same period, in the form of a critique of the pamphlet 'France Goes Off the Rails'. Some remarks on the subject can also be found in the review of the journal 'Les Cahiers du Doute' in no. 63, p. 4.

Other material dealing directly or partly with struggles and coordination committees, attempts at forming committees or the lack of them, includes:

-In our French edition, articles on the 1988 strikes at the car industry subcontractor Chausson and of the aircraft engine workers of SNECMA. These articles were never translated into English, but are included in *Liaisons* no. 4-5 which is a collection of texts about the period 1888-90. It also contains material about St. Nazaire shipyard workers, nurses actions '88-89, strike and subsequent refusal of work of civil servants '88-'89, Peugeot strike, and a general article analysing the coordination committees (see below). A brief summary of the articles in this issue can be found in *Echanges* 66/67, and a copy of *Liaisons* can be ordered from us.

-Note about the Chausson strike in no. 55.

-Article on 1989 Peugeot strike in no. 62.

-The article "Strikes in the secondary schools" in no. 66/67.

As mentioned above, in the French bulletin *Liaisons* no. 4/5 a long article detailed the nurses actions and mobilisations strike in France in the Fall of 1988 which saw the formation of the most important national coordinating committee. In the same issue another text with the title "The coordinating committees in France: A new form of organisation of class struggle?" tried to consider the meaning of the appearance in some struggles in France of such committees. Below is a short abstract of the general considerations in this text (the original is 20 pages):

At first it is not directly question of these coordinating committees but of organisation in general. Organisation structures has to be considered in relation to the capitalist society in which they appears and grow. These organisation structures are not at all a product of some imaginary

or preconceived ideas, but a product of the struggles and of the conditions in which these struggles have to work. Sometimes they are not perceived as a structure; on the other hand, they are never static but part of a dynamic which transforms their original form and character.

From the distant past up to now, quite a lot of different forms of organisations have come to life from the relations between labour and capital - some built to fight on a temporary basis, some trying to maintain a permanent existence in capitalist society. So, on one hand we have unions and parties, big ones and small alternative ones, and on the other hand strike committees, action committees, support committees, the COBAS in Italy, the coordinating committees in France, some related to workers assemblies and some not. (The 1989 and 1990 actions of Dutch nurses - *Echanges* 61 and 65 - also saw the emergence of similar kind of coordinating/struggle organisations.)

The development of these new forms of organisations has to be examined in relation to new methods of production and to the consequent evolution of the permanent structures like the unions. New names are the expression of the need of new structures in the class struggle. But such new structures have to be built and to exist in a society where the permanent structures like the unions or the parties also exist. They take different forms according to the branch of industry

or service and they did not even appear in some struggles which kept the traditional organisational forms. At first, during the rise of the struggle, they can reveal original new ways of action and can stay under the control of the rank and file. But soon and more and more when discussions have to be opened with the managers and when the movement is losing its original impetus, a lot of differences appear as the permanent structures try through different channels either to recuperate or repress the movement.

The coordinating committees appear as a transitory form of class struggle modeled by a dialectical process, not at all as an 'example' to be imitated: they only witness the existing current of workers' autonomy, which could take any other form in the future.

(A forthcoming issue of *Echanges* will contain translations of parts of a discussion on the subject of alternative unions and struggle organisations.)



## STRUGGLES IN FRANCE 1990

Attempting to trace a linear account of struggles in France during the past two years leads rapidly to consideration of three very distinct areas:

-The service sector, public or private, with no great strikes, but an abundance of localised, sectorised struggles, caused more by changes in working conditions than by questions of pay, and often radical in autonomy, duration and methods of struggle.

-The industrial sector, public or private, from which seemingly little has emerged in the way of open struggles, but yet struggles which by their very nature can be seen as a pointer towards other forms of struggle.

-The social sectors outside the structures of the economic apparatus, which could see a surge of movements like the explosions of violent localised revolt mainly in the suburbs of the main towns.

## THE RESTRUCTURING OF INDUSTRIAL AND FINANCE CAPITAL

This division is not a simple classification, but reflects the reactions of the different social strata or classes in response to the restructuring of capital in France. To understand the rhythm of this restructuring, one must never lose sight of the structural weakness of capital in France, where for a long time speculative capital has taken precedence over industrial capital. This fact is borne out by the figures themselves: at a time when the industrial sector was already less important than in the other industrial countries, the position of this sector had begun to decline more rapidly than in the other countries. This is to say that industrial restructuring is more of an imperative than in other countries, merely to maintain the position of French capital in the world competition.

One can not say that this industrial restructuring has been completed or fully realised because capitalism never stops restructuring: it is the expression of capitalism's dynamic. But, as underlined by the journal *L'Usine Nouvelle* (The New Factory) (1), from 1985-1989 we witnessed "a spectacular reduction of wage costs" (over 10 years, the wages share of added value fell by 8 points with a drop from 92% to 56% in the car industry between 1985 and 1989). In a certain sense, we can say that industry has been able to resolve the crisis and restructuring situation in its own favour and can be run from now on on the following conditions:

-It has been able to adapt to the fluctuations of the market and to the eventual consequences of struggles by the employment of a significant number of casual/temporary

workers who easily can be sent home or sacked. A recent example: A dockers' strike in Dunkirk revealed that almost all the 200 workers employed in the blast furnace of the Sollac steel work were temporaries, a fact which allowed their instant dismissal without compensation and the blast furnace to be put on stanby due to shortage of supplies.

-Industry has at it's disposal additional capital by means of increasing the share of the surplus value generated by capital; this corresponds to the above mentioned reduction of the wages share. From 1984-89 comany revenues multiplied threefold while wages fell in real terms: An estimate of household incomes (all categories) from October '89 to October '90 showed a nominal rise of 3,5% whereas the rate of inflation for the same period was 3,8%, and in this estimate is included agricultural incomes which increased by 9,3% '89 and 5,1% in '90.

-This financial freedom of movement permitted enterprises to manipulate wages in order to ensure a firm basis for exploitation: Categories at the top of the wages hierarchy saw increases in various benefits above the rate of inflation, often in the form of bonuses. But for the great mass of workers their experience of the year 1990 was a reduction in their standard of living. In relation to an inflation rate of 3,8%, the SMIG (guaranteed minimum wage) (2) increased by 2,1%, workers' wages on average by 2,5%, civil servants' by 2,5% (from which 1,9% personal increases for seniority and promotion should be deducted), white collar workers' by 4,5%, technicians by 6% and management by 9%.

The real meaning of these increases must be considered with reference to the employment structure and working conditions. In 1989, 27,4% of wage earners were white collar workers and 28,4 % were blue collar workers, and 25 % of all wage earners were paid at the minimum wage (SMIG) or below. These salary divisions can be seen to correspond with a division of the struggles and a greater combativity on the level of individual workers or small groups of workers. We find this fragmentation reinforced by changes in working conditions. In the course of the years '87-'90 the average length of the working week has increased by 1/2 hour, mainly because of increased overtime work (one of the ways to compensate for the fall in wages). In the same period team work has developed and there has been a tendency towards towards week-end working - that is to say a more intensive utilisation of fixed capital. Peugeot for instance has reorganised the work at its Poissy factory by keeping the machinery going for 20 hours and 20 minutes a day, with teams working four day shifts with a 9,37 hour working day and working two 3-day weekends every 5 weeks; which means 250 more cars being produced per day. (3). The pressure on wages has also brought about a steady reduction in the number of days lost through strike action since 1975, but figures about this must be viewed with caution: One one hand they also demonstrate the unions' loss of influence in staging their many punctual and symbolic actions, and on the other hand the statistics rarely take into accounts the numbers of rank and file conflicts at factory level which neither unions nor bosses care to spread information about except when they have no other option.

The other consequence of the increase in the share of surplus value extracted by capital is the restructurisation of French capitalism. As *L'Usine Nouvelle* said in the article quoted above, "those businesses which have been able to reduce the burden of personell costs are now those best armed to confront the hardship" of the crisis. Even if the labour costs per unit of production have increased slightly since 1987, they have increased less than for example in Germany. The volume of industrial investment has increased by 11% in '88, by 8,2% in '89, by 9% in '90 (13% in value); money spent on research has increased by 14,3% in '89 against 8% in '86, i.e. a more rapid increase than in the other industrialised countries but still in real terms remaining below these other countries because it represents only 2,3% of the Gross National Product compared with nearly 3% in the USA, Japan or Germany.

Within the framework of its financial possibilities, the restructuring of French capitalism is oriented along various developments set by the international competition:

-Establishing companies and factories abroad, mostly through the takeover of similar enterprises, partly to open up protected markets like those in the USA or Asian countries, partly to be prepared for the EC common market. One can in general talk about an internationalisation of capital in France which has obvious consequences for conditions of the exploitation of workers in France by giving firms greater possibilities of manoeuvre than within the strict limits of the French territory.

-The pursuit of technological modernisation, i.e. development of fixed capital in proportion to reductions in variable capital. The changes in working conditions mentioned above, the job reduction in the industrial sector and increase in the temporary workforce, are the consequences of these changes, which has a direct effect upon the methods of struggle of the workers.

-The structural weakness of French capitalism requires the state to maintain intervention in the form of nationalised enterprises and the direct or indirect support of certain activities. The existence of an important state sector differs considerably, however, from that of 40 years ago. State enterprises no longer mean something opposed to the private sector or safe jobs through special protection. We are witnessing a interpenetration between public and private sector at the same time in the banking sector and the industrial sector and the introduction of profitability criteria irrespective of the sector of activity. On the capitalist side we see poles of regroupment appearing where banking -industry liaisons are expressed in common strategies; on the workers' side the unification of working conditions and of salaries between public and private sectors. This also underlines an industrial strategy developed over these years with small, 'independent' enterprises which in reality are bound to the hilt in the role of supply and maintenance; the profit of the enterprises being proportionate to the resultant lower wages and worsened conditions of work.

## 'SERVICES' SUBORDINATED TO CAPITALIST IMPERATIVES

Compared to the semi-absence of 'great struggles' in the industrial sector, there has been widespread unrest the 'services' sector, public as well as private, in very differing movements. Whilst they may not have seen the breadth of the great strikes of railway workers ('86-'87), nurses ('88) or revenue collectors, these movements have nonetheless presented similar characteristics. They have in effect revolved around two axes :

-Restructuring in the service sector, proceeding from the tendency to increase the share of surplus value retained by capital (an often indirect tendency arising from the diminution of fiscal and social pressure, the cost of services, etc...) and thereby to reduce the share consumed by services. This restructuring takes place after that of the industrial sector, so it follows that the more significant movements of struggle at present are taking place in these sectors. The concentration process in the financial sectors together with the push for technological innovations has the same impact as in the industrial sectors: accentuating the effects of restructuring in these sectors.

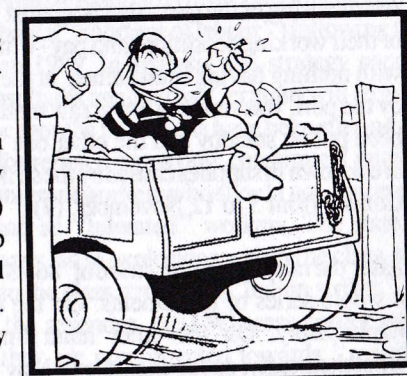
Both unions and managements have understood the danger presented by the development of autonomous organisms like the coordinations, born out of a too direct and generalised confrontation on a national level with certain categories of workers, notably in the public service sector. The relative failure of the first coordinations and their political recuperation may also have lead to that the workers involved haven't sought or have refused to extend their movement; the use of such means of struggle might equally seem to convey a perspective of failure greater than the possible consequences of localisation. Restructurisation in the service sector, just as in the industrial, has introduced a fragmentation, in one enterprise, for one category of workers, in one locality or region, etc., The effect of this is a fragmentation of the struggles just as much as that caused by the trade union and political anti-coordination strategies.

An example of this situation is given by the struggles of rubbish collectors in the Paris area. Long and hard strikes evolved:

-A 24 day strike in May by rubbish collectors in Paris over wages and which ended with 150.FF per month (2,5%); it involved council employees.

-From 18 to 25 September, collectors from 'Les Halles de Paris' at Rungis who gained a mothly bonus of 500 F; they worked for a private company. (4)

-From 18 September to 1 October by a group of rubbish dustcart drivers (those still in council employment) who were demanding reclassification. Only one area of the outskirts of Paris was affected by



the strike because drivers in the other Paris districts are paid by private companies and were not on strike (some even blacklegged).

So workers in the same 'agglomeration' (urban area), doing the same work for the same body (la Mairie de Paris - the Paris council) (5), can even at the same workplace find themselves employed by different firms, under different regulations and contracts, and therefore led into struggle situations in a localised and sectorised fashion at almost the same moment. One can imagine how the weakening of struggle arising from this leads by way of compensation to the use of harsher methods, for example where the dustcart drivers occupied and blocked rubbish depots and incineration plants.

A fairly similar situation can be found in air transport, a sector in full transformation through policies of deregulation and concentration, a situation strengthened by the crisis and by the Gulf War. Air traffic controllers, sometimes at one area control center alone, seriously disrupted traffic on several occasions in April and July; on 11 December controllers at the center located at Athis Mons near Paris caused cancellations of two thirds of the departures from the Paris airports. These actions alternated with regular stoppages at the airline Air Inter over salaries and working conditions, with other localised strikes like that at Nice from 15 to 27 November on the issue of work reorganisation and with a stoppage by luggage handlers at Roissy/Charles de Gaulle airport. At no time was there a general movement, because also here the workers involved belonged to different companies or categories.

In other parts of the transport sector strikes seemed to be endemic, but also here without ever rising above localised struggles. A typical example is the urban transport strike in Montpellier which lasted for 14 days, with drivers occupying the depots and having to be ejected by the use of force. At the end of June the Sealink sailors on strike over working conditions blocked the port of Calais. In October the 1100 dockers employed at Dunkirk, the third largest commercial port of France, blocked all traffic including the ferry lines for 33 days. They were fighting against restructuring of the port - that is against redundancies and against the complete transformation of their working conditions and pay - which constitutes a kind of privatisation. Their strike ended with nothing having been gained, at the same moment as the Sollac steelwork, which is served by the port, was running out of raw materials (iron ore and coal): one blast furnace had already been put on standby and the other one was on the verge of being extinguished because of the breakdown in supplies caused by the strike. (6) In the Mediterranean area SNCM sailors blocked Corsica from 3 to 12 November. (7)

After the railway worker strike of '86-'87, the SNCF (state railway company) was to experience a whole series of movements. On the one hand union days of action pursued more or less haphazardly. On the other hand limited local wildcat movements pursued extremely wholeheartedly, as for example in May in Nice and also in May in the Chambéry area where

the strike against a local restructuring lasted 10 days (with management being locked up by strikers); but nowhere did these local conflicts spread.

Paris suburban SNCF lines were brought abruptly to standstill by further regular and wildcat conflicts, often over questions of safety. They were related to a whole series of urban transport conflicts, the best example of which is the above mentioned strike in the city of Montpellier. The harsh and most often spontaneous strikes involved not only the Parisian underground and bus transports but also transport in most provincial towns, with no other link between them than the same problems ranging from restructuring to wages, from working conditions to safety.

In the hospital sector we find the same prolongation of previous big and wildcat strikes into a multitude of smaller movements. Even if these struggles remained categorial, they were neither localised nor regular strikes: junior hospital doctors waged a six weeks strike in January over complicated questions of fees; administrative personnel (8000) started a form of struggle by refusing to draw up documents for recovering in-stay expenses and formed a coordinating collective; hospital laundry personnel (600) went on strike in June blocking the entrances; maintenance workers (5000) conducted varying actions over their status and their working conditions.

In the media sector strikes were as frequent as they were scattered: Against redundancies at FP in June, 13 days in May over salaries and working conditions (where an occupation also confirmed open rank and file/union conflict), at the television station France 3 a three week strike at the end of the year over salaries and working conditions.

Parallels can be seen between the struggles at the BNP (Banque Nationale de Paris) and the Esonne CPSS (Caisse Primaire de Sécurité Sociale de l'Esonne) respectively and their relation to the banking profession and national health insurance system as a whole. Both struggles throw light on transformations affecting whole sectors, but their localisation also says something about the character of such transformations in limited sectors.

The banking sector has undergone not only workforce reductions of 1% to 2% per year but also changed conditions of recruitment and work. 2/3 of its workforce are between 25 and 40 years old; new recruits are required to be increasingly qualified and specialised; frequently they occupy positions reserved for much older workers during previously prevailing practices of allocation and seniority. So the entire promotion system is therefore blocked. This situation prevails throughout the banking sector, but seemingly within the nationalised BNP pressure had risen strongly enough to make 300 employees of a specialised bank centre in Paris launch a spontaneous strike on 12 December 1989 with a package of demands including wages. The strike lasted 14 days with almost daily meetings, a coordination which developed into a strike committee and a strike paper ('Tache d'huile', i.e. 'Oil Stain'). But every attempt to drag the

rest of the bank or the entire banking sector into the struggle failed, despite continuous occupation of the bank center in Paris, spectacular actions and important demonstrations. (8) What we are seeing here is a type of conflict which is growing, ill defined but expressing a general struggle readiness unable to be contained by immediate demands; it no longer manages to define a form of action liberating it from the structures which dominate work and which regulate conflicts. There's a similarity with what already was seen in previous struggles, for example in the SNECMA strikes in 1989 (9).

The Essonne CPSS strike was more consistent than, but bore similarities to, the one at BNP. It lasted for 4 months in the Autumn of '90; it touched upon everything to do with working conditions in a regional office chosen to pilot the reorganisation of work. In this strike the employees occupied the departemental centre, but despite all their efforts were unable to extend it to other regions which nonetheless had similar centres. While relations with local management was straightforward, there was far more complexity in regard to dealing with unions, government, doctors - all of whom was responsible for a great deal of manipulation and confusion. At the same time the employee's determination and will to retain control of the movement in their own hands meant that, unlike the BNP employees, they resumed work having partially achieved their demands.

These struggles reveal more clearly than those in the industrial sector a latent situation capable to evolve in one of two directions :

- a broadening of such localised conflicts
- a return to more individualised and less open forms of struggle. It is certain for example that the lengthy conflict at BNP, at the Essonne CPSS or at Chambéry SNCF for some time more corresponded to a kind of go-slow strike - as much expressing a "disquiet" felt by the workers as a whole in front of the pressures of capital on working conditions and salaries as it expressed their specific demands. This disquiet can be related to the feeling of impotence in opposing all the measures affecting work and lumped together under the term "restructuring".

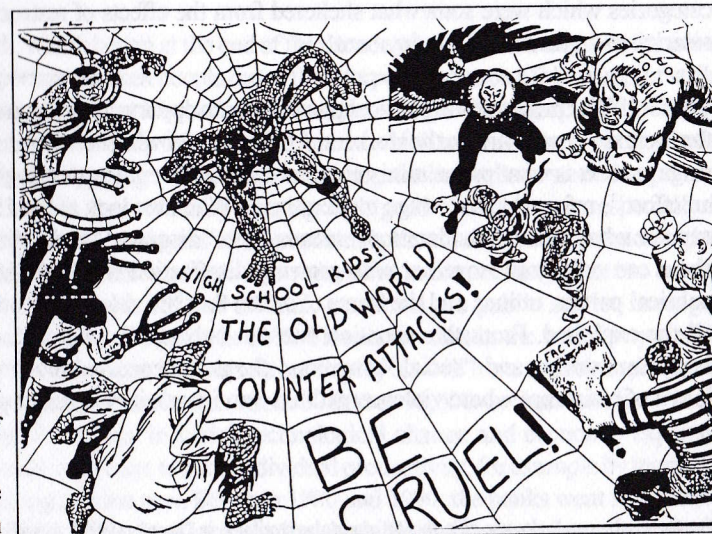
### ALSO OUTSIDE THE BUSINESS SPHERE: PERMANENT SOCIAL CONFRONTATION

The same "disquiet" is also there in the social sectors which do not have at their disposal any means of action affecting production or as consumers. Excluded from the sectors of economic activity and often referred to as "precarious", they have no other means of individual or collective action than "asocial" behaviour and direct confrontation on the streets with the forces of public order. Their aim is either to get a political decision to change their conditions (as is the case for example in the actions by squatters or the homeless or schoolstudents) or simply, consciously or not, to express that they are fed up with their conditions and that they

want to revolt. That the political power gives in or panic faced with such movements may be a sign of a political weakness and fear that may well see these movements serve as an example for workers in struggle (the general strike of May '68 and the railways strike of '85-'86 are grafted upon such concessions towards actions on the streets). But such movements can also allow various forms of manipulation.

The breadth of the schoolstudent movement in the Autumn of '90 (10) express, beyond the immediate demands concerning more money, better buildings, more teaching staff and more

"security", the "disquiet" felt by youth facing an uncertain future and a 'boring' society. They hereby link up with the revolt of everyday life of the marginalised youth and the future "insecure" - and in so doing also with the undeniable violent aspect of their demonstrations - of today's "modern" capitalist society. The explosion in Vaulx en



Velin, a town of 15.000 inhabitants in the suburbs of Lyon where 17% are unemployed and half of the population on too low an income to be taxed, is not particularly exceptional, neither for the 400 districts in France declared by the power of the French state to be "in crisis", nor for the less localised or significant groups or for marginalised and insecure individuals. As strikes are the overt forms of a constant struggle against the conditions of everyday exploitation, such explosions are the visible forms of violence against everyday conditions and repression. The schoolstudent demonstrations have shown how such manifestations can integrate and accept the general violence. The same could happen if workers' struggles are to become generalised. But overall the struggles of 1990 have shown sectorisation and divisions preventing any unified movement.

According to financial estimates, French capitalism's rich milking time is over. The reversal of the economic growth tendency is hitting France as it did with USA and UK a year earlier. At the end of '90 most of industry's profits has diminished carrying a growing debt burden

(acquired from investments, mergers or company takeovers). The inevitable result is redundancies, greater pressure on salaries and working conditions, and the acceleration of restructuring notably in the service sector where resistance to the current transformations is most clearly expressed. Conflicts identical to those of 1990 - harsh but sectorised - could bring about more general and generalised conflicts. Neither business nor the political power are mastering a situation where they can manipulate the structures (traditional unions, base level organs/structures...) placed in position for the purpose of preventing such generalisations or a situation where they can extort a larger share of surplus value. All will depend on the extent of the capitalist attack on these categories which were somewhat sheltered from the effects of restructuring in the matter of salaries and guaranteed employment.

The Gulf War provided the political power with an opportunity of trying to conceal for a while the increase in pressure on the workers. All what the government can suggest to employers and wage earners is what prime minister Rocard, when recently appealing to everybody "to make an effort", referred to as "wage moderation". When we look at the 1990 rate of increase we can see what such a "moderation" means. The "disquiet" and "disease" we have spoken about can only grow, together with growing disaffection with traditional control structures: political parties, unions and the forms of action they are able to put forward to the workers, to all the exploited. From this situation one can only predict a transformation in attitudes to everyday working and "social" situations, the persistence and the development of collective forms of resistance where violence will have an increasingly greater presence.

H. Simon

### Notes

For those who can make use of it, this article is also available in German (in full as well as in an abbreviated version) and in French.

When published in the French edition of *Echanges* Autumn '91 it ended with the following remark: "This article was written in Feb. '91 and requires completion, notably with the suburban explosion of Summer '91 and with current moves pushing towards a generalisation to break down the 1990 fragmentation of conflicts outlined above: this will appear in a forthcoming issue."

Much of the material which later followed in our French edition has been translated and will appear in a forthcoming English *Echanges*.

(1) *L'Usine Nouvelle* 4.10.90

(2) SMIG: Salaire minimum interprofessionnel garantie

(3) About this see also *Echanges* no.68/69, p.65, as well as no.62 for an article about the 1989 Peugeot strike.

(4) To avoid confusion: This did not take place in the 'Les Halles' area in the center of Paris. The daily wholesale fresh food market which previously was in this area had around '68 become so big that it became a nuisance and had to be moved to the suburbs (near Orly) to a place called Rungis, but is still called 'Les Halles de Paris' (under the Paris council authority).

(5) An example of the problems when trying to translate between various languages names of categories of workers etc.: 'La Marie' could normally be translated as 'townhall'. However, in French 'la Marie' is not only the building (townhall) but also the employer - the council. On the other hand, 'council' which in French will translate 'conseil municipal' is only the assembly, not the employer. The title in any town is 'Mairie de ...'. This distinction does not exist in the UK, so the best translation is the 'Paris council'. In France a council worker will say 'Je travaille pour la mairie', and he is an

- 'employé de mairie' (though the real administrative name is 'agent des collectivités locales' - not easy to translate).  
 (6) Sollac is one of the only two huge steelworks remaining in France. A stop of the second blast furnace would have had a lot of consequences - e.g. on the car industry - which could have started a very serious social conflict.  
 (7) SNCM is a merchant naval company having a monopoly on the ferries link with Corsica and practically also with North Africa.  
 (8) *Echanges* no. 65 contains a note about the BNP strike, including information about an issue of the journal 'L'Aube Internationaliste' no.13 which contains a complete report of the strike.  
 (9) About the SNECMA strike, see article in *Liaisons* no.4/5, previously published in the French edition of *Echanges*. In the English edition on *Echanges* there has only been a note in no.55.  
 (10) An article on this movement was published in *Echanges* 66/67, p.61.

**The next issue of *Echanges* will contain material which is a follow-up to the above article on struggles in 1990, as well as material on the 1991 Renault strike.**

## USA

### NOTES ABOUT USA Part I

*Most of the following notes about the US, based on reading a number of US newspapers and journals, were published in the French edition of Echanges quite a while ago but has only recently been translated. We therefore publish it here before publishing other material about the US which is ready - this material will follow in a forthcoming issue.*

Until 1991 the media were full of informations on the struggles in the ex-USSR and practically nothing on all the struggles in the USA - struggles which are widespread and militant and would have filled the front pages of the daily newspapers if they had taken place in Russia. Of course, these struggles don't not the spectacular appearance, interesting for the media, of for example the Los Angeles riots. But alike these fights, they give evidence of the daily class struggle and conflicts. They also give evidence of the opposite of what all members of the ruling class everywhere, and also some people on the 'left', try to impose: a picture of the disappearance of the working class and the end of class struggle. These struggles witness the resistance to the developments of a capital which in the USA as elsewhere try to extract more and more surplus value from the workers.



In *The People* (17/6/89; paper of the Socialist Labor Party) we find the article

### NEW DATA REVEALS RATE OF EXPLOITATION IN U.S.:

“The US government and an antitax outfit publish statistics that make it possible to calculate a reasonable approximation of the rate of exploitation, how little workers retain of the vast wealth created by their labor. The US Department of Commerce published an Annual Survey of Manufacturers. Among other things it lists a statistic called ‘value added by manufacture’.

“This measure of manufacturing activity”, the department says, “is derived by subtracting the cost of materials, supplies, containers, fuel purchased electricity, and contract work from the value of shipments for products manufactured plus receipts for services rendered.”

The department adds several provisions about technical adjustments to the figure before noting that value added “is considered to be the best value measure available for comparing the relative economic importance of manufacturing among industries and geographic areas.”

In other words, value-added figures measure the amount of ‘value’, approximated by market price, added in production to the material (constant capital) supplied by the manufacturer. But the definition omits what it is that adds this value. It should be fairly obvious that the value can only be added by the labor expended on those materials; that is, it is created by the labor of wage workers.

Marx observed that “the reward for labor, and the quantity of labor, are quite disparate things.” Fortunately, the Commerce Department also includes figures enabling one to see exactly how great that disparity is - namely the wages paid production workers in manufacturing.

In 1986, 11.8 million production workers were employed in manufacturing. They ostensibly received gross wages of \$236.6 billion while the value added by their labor was \$1,035.4 billion. Thus, for every dollar of wages workers created new wealth worth \$4.38. In other words, workers were paid gross wages worth less than 23 % of the wealth they created.

The difference between wages and value added was \$798.8 billion. That represents wealth created by workers which they did not receive, wealth that was appropriated by the capitalist class by virtue of its ownership and control of the means of production. To use the Marxian term, that wealth represents surplus value, although, as will be seen, the total surplus value produced is greater than the value-added figure indicates.

The rate of exploitation is calculated by dividing surplus value by wages. Thus, in 1986, the rate of exploitation in manufacturing would appear to be 338%. (Surplus value of \$798.9 billion divided by gross wages of \$236.6 billion.)

However, the actual rate of exploitation is substantially higher, because the figures

presented so far don’t take taxes into account. Taxes represent that part of surplus value that is used to pay for the operations of the political state.

The state receives part of its share of surplus value directly by taxing capitalists. Another part, however, is channeled through workers in the form of taxes. For example, workers’ take-home pay is reduced by the withholding of state and federal income taxes, Social Security taxes and other payroll taxes. The purchasing power of take-home pay is further reduced by property taxes on homes, sales taxes, excise taxes and so on.

Whatever the artifices used, however, taxes are surplus value - wealth that workers create which is appropriated from them by the capitalist class. It is of little concern to workers whether that stolen wealth is retained by the immediate exploiter or yielded in turn to some other segments of the exploiting class. Workers do not receive that wealth to spend or allocate as they choose.

The overall effect of taxes is considerable. According to the Tax Foundation, which promotes the dubious concept of “Tax Freedom Day”, the average worker spends 2 hours and 43 minutes of each 8 hour workday to “pay” taxes, that is, in Marxian terms, to produce that portion of surplus value that is diverted, in the form of taxes, to support the state.

Assuming those figures are correct, approximately 34% of workers’ gross wages represent surplus value appropriated by federal, state or local governments. Available government figures on taxes and average income strongly suggests that the 34% figure is close to the mark. Applying that percentage to the value added and wage figures for 1986, workers’ wages are reduced by \$80.4 billion to \$156.2 billion. The surplus value produced is accordingly raised by the same amount to \$879.2 billion.

With those adjustments made, it’s clear that workers receive only about 15% of the wealth created by their labor in wages. The rest is appropriated by the capitalist class and its state. The true rate of exploitation, using the same assumptions, is therefore in the neighborhood of 563%.”

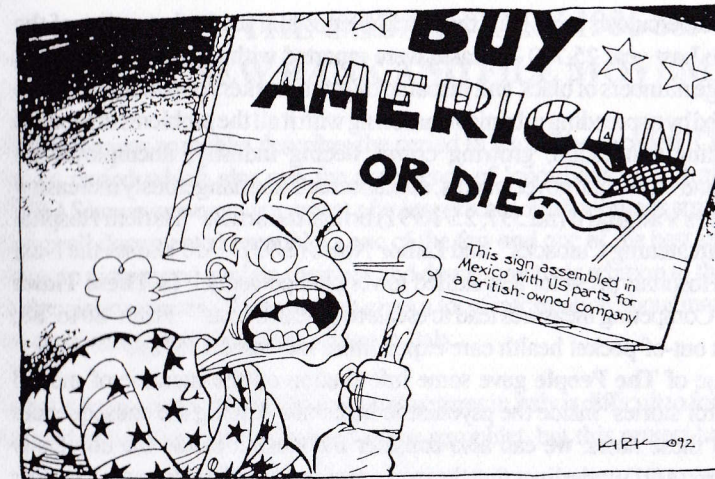


The **San Francisco Chronicle** (28/1/92) gives the comparative labor costs in US and other countries. Much of Europe has higher labor costs than the US and Japan's are only a little cheaper than America's. The average cost for an hour of manufacturing labor in the US was \$14.77 in 1990. That figure includes wages, vacations, social insurance contributions and other benefits. In Germany, the figure was \$21.53. Such European nations as Norway, France, Sweden, Switzerland, the Netherlands, Denmark, Belgium and Italy all surpassed the US costs. Canada weighed in at \$ 16.02. Mexico, the third country in the proposed North American Free Trade Agreement stood at just \$1.80 in hourly labor costs. That discrepancy helps explain anxiety over the chance that the free trade zone will bring about the loss of good-paying manufacturing jobs in Mexico. (On this last subject of transferring US factories to Mexico, see *Echanges* no.64.)

A great number of articles in the US papers tell us the consequences of these changes: redundancies, lower wages and increase of the rate of exploitation. **Workers Vanguard** (no. 541, 27/12/91) saw these consequences for two decades of wages getting lower and lower, but insist on the evident fact that the workers from Latin America form a new force for the workers struggles. **In These Times** (22/1/92) - "Can Detroit overcome it's carsickness?" - tries to analyse if Detroit can overcome the car crisis: Japanese investments have completely changed the working organisation and displace many American jobs with operations that contribute little to the prosperity of the US economy (disappearance of 150.000 jobs). The same paper had already looked (6/11/91) at if USA were economically strong enough to prevent the destruction of its auto industry.

More specifically another issue of **In These Times** (8/10/91) considers the huge deficit of the American banks to say that the previous Bush medicine for the banks was really very bad. **The Nation** (16/9/91) in the well-documented article "Time to Stop Bailing Out the Banks" examines the same problem: The Federal Deposit Insurance Corporation now recognizes that about 200 commercial banks (increasingly larger) will go bankrupt each year in 1991 and 1992 (only 12 all of them small in 1980). The 160 or so largest banks in the country have such bad loans that all their assets and market shares value will not be enough to fill that capital hole. The government must put more and more money in in order to avoid the collapse of the whole banking system with such a huge amount of unpaid debts, not only from the third world, but from peasants, mortgages, bankrupt firms, etc.. Deregulation allowed the banks and all financial institutions to put their money in risky speculations (junk bonds) and the crisis brought big disturbances in these operations: the bankruptcy of the S & L (avoided with state money) was only one example among quite a lot of others of this debacle of the banking system in the USA.

**The People** (22/2/92) - "Why 'Buying American' Can't Solve Unemployment Problem" - criticise the economic nationalism which is raging even amongst the unions. The slogan 'Buy American' will not at all solve the unemployment problem; some powerful unions like the auto workers (UAW) support such a rubbish propaganda (their own survival is at stake). American capitalism is a system highly integrated in world capitalism. National identity and



nations still play an important role and are still a focal point in the conflicts between competing capitalist groups. But the capitalist system's inherent compulsion to export, to penetrate other markets, and to take advantage of the lowest possible production costs has created a global world economy which makes it difficult to protect or to favour one capitalist sector without harming another one.

The consequences of the failure of this global economical system are evident and pages would be needed only to number them. Only some examples from US leftwing journals can be quoted here:

**News & Letters** (3/91) describes the widespread wave of redundancies. **Labor Notes** (2/92) - "Executives get Parachutes; Workers Free Fall" - examines the case of the airline company PanAm where the managers got many benefits when most of the workers were sacked with nothing; many PanAm workers smelled an odor of financial manipulation reminiscent of what happened with Eastern Airlines and the gangster Lorenzo. **The People** (28/12/91) tells the same story and the 'sad Christmas for PanAm workers'. The same issue explains how the 'Saturn' programme (see *Echanges* no. 48, p.7), build up by General Motors to match the performances of the Japanese car factories, brings many sacrifices from the workers. The same paper (25/1/92) underlines what we could have guessed that 'the benevolence of the Japanese capitalists is a myth'. A **Workers Vanguard** article with the title "The employment massacre at General Motors" present this situation in the car industry as the "bankruptcy of American capitalism".

The consequences of this economic transformations and crisis are not only seen at the factory level, but in the general aggravation of the conditions of life, particularly amongst the black and latin American people:

**The People** (11/1/91) states that "the massive redundancies goes on" and that the richest are becoming richer and the poorest poorer; in another issue (22/2/92 - "Forbes' Bankrupt 'Defence' of 400 richest Americans") they give a list of the 400 richest Americans who possessed most of the American wealth and rule the economic system. **The People** again (25/1/92 - "Resurgence of Tuberculosis Sign of Decaying System") explains how the poverty

brings a reappearance of tuberculosis mainly in the black ghettos and see in that a sign of the decadence of the system: Last year 25,700 TB cases were reported with the highest numbers in poor districts with large numbers of black and hispanic migrant workers populations. These suburbs are being engulfed by a spreading urbanism that bring with it all the problems of modern American cities, including congestion, growing crime, fleeing industry, unemployment, fiscally bankrupt county and municipal governments, education cuts and dangerously increasing health problems. **Workers Vanguard** (no. 537, 25/10/91) brings the article "Harlem Hospital Workers Protest Life-Threatening Cutbacks" and **Labor Notes** (2/92) "Are Nurses the Next Endangered Species": Hospitals press for less skilled lower paid personnel. **In These Times** (29/1/92) writes about "Competing measures lead to escalating health costs": From '80 to '88, the average American's out-of-pocket health care expenditure increased 175%.

The 11/1/91 issue of **The People** gave some information on the increase of mental diseases and of the 'horror stories' inside the psychiatric hospitals. Among the consequences we are talking about in these notes, we can also consider the tension inside the university campuses. **News & Letters** (4/91) underlines that the increase of rapes on the campuses "reveals need for new human relations". "We only need to look at ourselves and the women around us to know that the horrendous statistics that one out of every four US woman will be raped in her lifetime is a reality for every woman... The fact that rape in the last decade has grown four times as much as the national crime rate..." The article gives some examples of the degrading of the 'Woman/Man Relationship' - women always being the victim and most of the time the jury find the rapist not guilty - one fourth of the boys and one fifth of the girls said it was OK for a man to enforce sex with a woman if he had spent more than \$10 on her. "This becomes even more clear when the victim is a black woman...the rape of a white woman resulted in an average sentence of 10 years, of a black woman just 2 years and of a Latino woman 5 years."



Workers struggles in the US are daily and widespread, often with an amazing level of strikers' determination, solidarity and violence. By the media all of this is reported very scattered or not reported at all. And events like the Los Angeles riots are only the tip of the iceberg.

Another issue of **Echanges** will contain the second part of these notes about the US, and other material, amongst other things about: \*Actions of New York transport workers - Los Angeles dockers - Pittston miners - Lukens Steel Co. workers - Greyhound bus workers - Ravenswood Aluminium workers - El Paso garment workers - Caterpillar strike - Eastern Airlines \*1992 General Motors Lordstown strike \*Actions and situation in the rail industry after the 1991 strike \*Letters from American comrades \*The 'reform' of the Teamsters union \*Reviews of the books Ben Hamper: *Riverthead - Tales from the Assembly Line* - Sylvie Denevue/ Charles Reeve: *Voyageurs au bord d'une Amérique en crise* - Martin Sprouse: *Sabotage in the American Workplace*.

# GUATEMALA

## THE OTHER GUATEMALA

*(This article was written in 1989 by an American comrade who has travelled extensively in Central America. It was published in **Central America Update** - the bulletin of ACALA (Alaskans Concerned About Latin America). It ought to have been published in **Echanges** a long time ago, so even if it's not recent we publish it anyway, prior to some more recent material by the same comrade about Central America in forthcoming issues of **Echanges**. The article is in our opinion a very good eyewitness report from a visit to Guatemala, catching the living conditions and concerns of ordinary people. In this respect little has changed since the article was written; there is still increasing violence, a military iron grip on the development and 'basic human rights' are violated on a large scale every day.*

*The ACALA bulletin is still published under the name **Central America and Middle East Update**, and the address is ACALA, 3605 Arctic Blvd., #1515, Anchorage, AK 99503, USA).*

During my four week stay in Guatemala City I had the privilege of finding "the other Guatemala", the Guatemala of workers, peasants, Mayans and ladinos who have the courage to protest the repression, misery and poverty that is their reality. Fear, oppression and control permeate life in this so-called developing democracy. Mass demonstrations are often tense and no one lingers afterward for fear of being singled out by the police for reprisals. People whisper in their houses so as not to be overheard by their neighbors; on buses the music blares so there is hardly any conversation and very little spontaneous laughter.

This account is based on three significant demonstrations in the city, a visit to a government housing project at Mexquital, and a meeting with CONAVIGUA, a women's group that wants to improve their lives and the lives of their children. Before leaving Guatemala, I spent a weekend in Esquintla and Nueva Concepcion on the southern coast, the heartland of the banana and sugar plantations.

### DEMO IN SUPPORT OF SEASONAL WORKERS

The first demonstration was in support of the demand of seasonal workers in coffee, cotton and sugar plantations for a wage of Q10 (\$3,70) a day. Sponsored by UASP, an organisation of trade unions and people's action groups that includes CUC (Campesino Unity Committee), GAM (Mutual Support Group of Parents and Relatives of the Disappeared), CERJ (Council of Ethnic Communities) and CONAVIGUA (widows and orphans) and several trade unions, about 200 participated. The march proceeded to the National Palace, slowing down traffic. Leaflets were distributed as the chant *Alerta* aroused the attention of passers-by, and the familiar slogan "el pueblo unido jamás será vencido" was repeated frequently, along with a new one for me, "un pueblo con hambre es un pueblo sin paz" (a hungry people is a people without peace).

The January strike of 50,000 seasonal agricultural workers on coffee, cotton and sugar plantations on the coast almost reached the proportions of the historic sugar can cutters strike of 1980. That strike resulted in a minimum wage of Q3,20. Now eight years later, the legally agreed upon rate

is not being paid. And conditions for migratory workers have not improved. Brought in trucks from the Highlands, the workers are treated like slave labor. Promises of adequate food and housing are ignored, so the workers live in open air unsanitary shelters, and buy their own food. To be sure they'll tolerate these miserable conditions, the employers hold their identity cards so they can't leave. They must also provide their own work tools; in addition they are cheated at the scales when the coffee, cotton or sugar is weighed.

The strike was broken because of the intervention of the military. The government, claiming a need to "protect" the cane fields and sugar mills, sent several squads of riot police to the area, equipped with tear gas and gas masks. Later workers who lived in company houses were evicted, while others were hustled off on buses back to their villages in the Highlands. The militarisation in Esquintla and other areas on the southern coast of Guatemala was intense.

Unfortunately ladino workers and those who had better jobs did not join the strike and the morale of the strikers could not be maintained in the face of their legitimate fear of violence. This was also reflected in the low turnout in the Guatemala City march of the agricultural workers. Yet, the discussions between UASP and the growers' association are continuing. The workers are demanding increased wages, pay for working on Sunday, food rations, and company-provided tools with which to work.

### GAM DEMO

GAM, the mutual support group, was organised in 1984. Members meet one another in their search for information about family members who has disappeared. Since then their membership and international credibility as an organisation has increased.

Unfortunately, however, no one has been able to find out what happened to their loved ones, nor have any of the military been required to answer for their crimes. Efforts to involve the United Nations have resulted in futile statements absolving Guatemala of human rights violence merely because they're now on the road to democracy. The government reiterates that the people who disappeared left of their own volition to go elsewhere, or joined the guerilla armies.

Today, despite assassinations and threats against GAM members, demonstrations continue regularly in front of the National Palace. Men and women hold pictures of their loved ones and call on the president and military to investigate the assassinations they have documented. Between January and November 1988 GAM has recorded 492 assassinations and 186 kidnappings.

### DEMO AGAINST CIVIL PATROLS

The third and most impressive demonstration, initiated by CERJ against the self-defense civil patrol system (PAC) was headed by Father Andres Giron of Nueva Concepcion. More than 2500 Mayan Indians came from their villages to Guatemala City, along with others in labor unions who supported the action. They marched to the National Palace and then to the parliament to demand an end to the civil defence patrols. Although the Mayans in their traditional dress added color to the demonstration, the poverty of these indigenous people could not be concealed. Many were barefoot and exhausted at the end of the tiring march. Women released the infants from the wrappings on their backs and fed them. After a short rest, with their energy somehow restored, all cried out, in unison, against the oppressive forced labor given in the civil patrols.

The patrols began in 1982 with president Rios Montt's "beans and bullets" program. There were 25000 participating then; now there are a million. Created as a counterinsurgency force to increase

the military strength of the army and its intelligence capability, civil patrollers now outnumber the army of 30000. The military spreads the myth that the patrols are voluntary, even demanded by the villagers to protect them from guerilla armies, but CERJ points out that the forced patrol duty violates Article 34 of the constitution which specifically prohibits it, as well as Articles 66-70 that address the cultural and ethnic rights of Indian communities.

Men from 14 to 60 years old must serve as patrollers. Shifts vary from village to village but they average from 12 to 24 hours every 10 days. Those who must leave the area to find work elsewhere have to replace themselves in the patrols. Only doctors are exempt.

There are many abuses in the system. Often the patrollers are not given guns; they head up the detail with the soldiers and serve to draw fire if there are any guerilla bands in the area.

And, more time is required of the patrollers since they must attend government rallies to listen to ideological talks, and physical training on Sunday. Of course this rigorous schedule interferes with their ability to perform paid work; moreover it has altered the communal nature of village life, turning it into a nightmare of spying, brainwashing and keeping tabs on who comes and goes in the area.

So far 75 villages have rejected patrol duty. The organizing efforts of CERJ have been most successful in the departments of Quiche, Totonicopan and Solola.

### MEXQUITAL

In Mexquital, a barrio on the outskirts of Guatemala City created after the acute housing shortage following the 1976 earthquake, we saw adequate low cost housing with water, sewerage and electricity, alongside an asentamiento or squatters' colony where small shacks were built of scrap wood with tin roofs, lined up together in rows. Named Esperanza (Hope), the colony already has 11000 inhabitants, some of whom arrived 5 years ago.

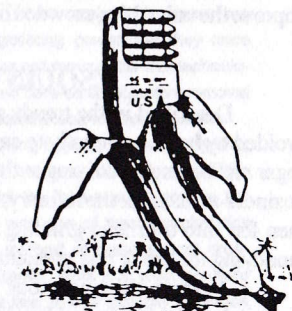
For a long time the government refused to recognize the existence of the squatters, but was forced to do so during a typhoid epidemic that was killing the children. When the coffin of a baby who died was placed on the steps of the National Palace, the government had to provide minimal services, but there are still only 11 water taps for the 11000 inhabitants of Esperanza. Each family has a turn at the tap throughout the day and night. If they miss their assigned turn they must buy water from a truck that comes by.

Sewage runs in open ditches in an area that is hot and dusty. Public schools operate in shifts because of the overcrowding; however, many families can't afford to send their kids because they don't have enough money to pay for clothes and books.

The Catholic Church, with the help of Canadian and Guatemalan doctors, operates a health clinic for women and children that stresses health care maintenance as well as taking care of physical ailments. Sisters also conduct classes in reading for adults on Saturday, which unfortunately are sparsely attended because the people work long hours and are too exhausted to participate.

On Feb. 24th the government announced the opening of a new medical facility which will serve Mexquital and another community, Villalobos, under a program involving Doctors Without Borders,

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UNICEF, the Knights of Malta (a conservative Catholic group) and Guatemalan health agencies. A 24-hour medical and dental clinic will serve about 500,000 people. But there is apparently no money to improve the unhealthy, crowded living conditions or the poverty that create the illnesses in the first place.

### ESQUINTALA AND NUEVA CONCEPCION

Described in the trendy guidebooks as a hot, humid working class city which could easily be avoided by heading directly to some coastal beach, Esquintala is one of the agricultural heartlands for sugar and bananas. Arriving at the tail end of the cane cutting season after the January strike, we found business-as-usual at the refinery, Ingenio El Salto. The cane was transported on large flatbed trucks and then fed into overhead grinding equipment. A brown, bubbly liquid, the color of molasses, ran off, muddying the creek and presumably contaminating the water supply of the surrounding inhabitants.

A driver obligingly took us out to the fields in the truck he was going to load, and for a while we watched the blackened bundles of sugar cane as they were loaded by forklift onto the truck. When we walked away from the blowing dirt to head down the road, we met families and single men who had been out cutting cane, all looking dirty and exhausted as they headed home.

From Esquintala we went on to Nueva Concepcion to visit Father Andres Giron. We arrived early enough for the Saturday night mass attended by folks in the town, and then waited out the larger Sunday mass in the local park visiting with the kids and curious townspeople. In Nueva Concepcion there were more ladinos (those who claim Spanish descent) than Mayans. And there was an impressive sprinkling of other churches - Mormon, Pentecostal and Protestant. Otherwise it's a small town where pigs and chickens have as much right of way as bicycles.

Since 1986 Father Giron has taken a leadership role in peasant organizing, founding the National Pro-Land Peasants Association. He received part of his education out of Guatemala, spending about 10 years in the US; during his stay he became familiar with the non-violent tactics of Luther King. He has supported mass demonstrations for land reform, and is now active with CERJ in getting rid of the unfair civil patrols.

He has political ambitions, hoping to run for president in 1990, and is protected by government-provided plainclothes guards who carry sawed-off shotguns. Also, he apparently has access to funds since he mentioned that he would be paying the bus fare of the peasants so they could take part in the demonstration the following day. Several American cars in good condition have been donated by people from the US. About 40 seminarians, young boys from other villages, live with him in the Parochial House or nearby. He has a significant following in his own parish and in the surrounding communities and people arrive for Sunday mass by the busload.

### CONAVIGUA

A new national women's group, CONAVIGUA (Coordinadora Nacional de Viudas de Guatemala) surfaced in 1988. Most of the women are either widowed, single mothers or abandoned wives. They first began talking together in the marketplace several years ago about their common problems of survival for themselves and their children. The majority go to the large farms either in the Quiche or on the southern coast to find work and return home every 2 or 3 months.

At the plantations they are paid less than the men, only Q80 a month. Thousands of women have been raped and mistreated. They say "as women we have not been taken into consideration either by men, our husbands or the authorities." Indigenous women and ladinas are welcome in CONAVIGUA.

Presently the government is hostile toward them, advising them to stay at home and especially not to make applications to foreign countries for support for their orphaned children. However, they intend to persist so their children can get access to enough food and an education. They want to be respected as women, and they expect to receive the same wages as men for farm labor, and decent education. Of course they oppose the civil patrols in their villages. Each family member is far too important to their survival and simply can't be spared for the patrols.

Ruth Sheridan

*As mentioned, more recent articles on Central America will appear in later issues of Echanges. In this issue we therefore only publish below some brief additional material, complementing the article, from the same period as the article was written.*

### Letter

"The day after we visited the priest Father Giron he led a march of Indians and workers and women who were opposed to the civil patrols in their villages. He was a good friend of the president, Vinicio Cerezo, and also apparently had access to money and US support. About 2500 marched in the city and he had money to pay the bus fare for them... Some in Guatemala don't trust him because he tends to brag and take credit for starting many of the popular organizations. But, on the other hand, there are others who feel he is too important a person to offend and have agreed to work with him. For the time being, his leadership of the protest march against civil patrols was an important step since this system, if allowed to continue, will change the Guatemalan highland villages.

As a priest he tends to be confrontational and charismatic. He certainly is no liberation technology. He has a considerable following in his area in the south of Guatemala, and I note that he made a trip to the US last month speaking before Church groups.

In Guatemala there is no civilian rule; the military controls everything and the repression is insidious. People move like automatons; there is little laughter or free expression and hardly anyone ever has any money. A family is fortunate to have one or two working members. Salaries are low and inflation keeps creeping upwards. The family I lived with in Guatemala City lost a daughter in 1982 when she was taken from the University. Afterward, one of their sons left for the US and a daughter sought asylum in Canada...

RS 5/89

**Amnesty International** in the 1989 report entitled "Human Rights Violations under the Civilian Government" (of Guatemala) noted that there has been "a resurgence in the abductions", "disappearances" and "extra-judicial executions in the cities and countryside" which can be traced to security forces or forces close to them. Those abducted, "disappeared" and executed include a large number of unionists, among them J.R. Pantaleon, a member of the famed Coca Cola union SETAC where a world-reknowned sitdown strike occurred in the early '80s). **Ideas & action, 1989**

**Shattered hope: Guatemalan Workers and the Promise of Democracy** by James Goldston, Westview Press 1989.

On July 2nd this year, Jose Rolando Pantaleon, a member of the STECSA union representing workers

at Guatemala City's Coca Cola bottling plant, was tortured and shot by Guatemalan death squads. Imprisonment, murder and firing are all among the dangers faced every day by Guatemalan workers who dare to organize for a better life. Goldston documents the extent to which anti-labor repression has continued under the nominally civilian Cerezo administration, which loudly proclaims its support for Guatemalan workers while doing nothing to improve their lives. Although the repression continues, Guatemalan workers are once again organizing - encouraged by a slight reduction in the anti-union violence and driven by desperate need. Some chapter titles give a sense of conditions: "Violence Against Organized Workers and Peasants", "Work Without Wages: Civil Patrols and Food for Work", "Child Labor" etc. Guatemala has an extensive body of labor law, "establishing" rights far in advance of those legislated for example in the US. Yet these laws do Guatemalan workers no more good than does the National Labor Relations Board - employers routinely flout the law, laws are rarely enforced (and toothless even when enforced) and workers in general actually enjoy only those rights which they have won for themselves through their industrial direct action. Goldston misses this point, ending this useful report with a call for stronger laws and better enforcement. **Libertarian Labor Review**, Winter 89-90

## CHINA

The article below, "Inscrutable China...", was originally published in **Midnight Notes** no. 10, Fall 1990. Our reason for reprinting it so long after is twofold. Firstly, because of what it says about the background to the events on Tiananmen Square and other places in 1989. It locates this firmly on the background of the economic development in China the last decade and the workers', students' and peasants' resistance to this development - thereby revealing the 'economic dimension of the protest', the anti-capitalist class struggle behind it, instead of seeing it mainly as a political protest for capitalism and western-style democracy. Secondly, and just as important for believing that the article will be of interest to our readers: what it says - in contrast to widespread attitudes among all shades of the left - about methods and possibilities of analysis and the use of media and official sources of information: "**The main point of this article is to demonstrate that even without 'special' contacts on the scene in Beijing, one can read the media to know... the class relations and confrontations... and that this possibility is no accident. Our claim is in marked contrast to the most articulated leftist view concerning the US media presented by N. Chomsky and his co-workers.**"

After the article we publish some material complementing it in various ways. Firstly extracts from two more recent articles from **International Herald Tribune**, examples of the kind of available material referred to in the article. Secondly, extracts from a 1991 article in **News & Letters**. Thirdly, a letter to an American friend from a participant in *Echanges* written after a journey to Russia and through China in 1991. It was not written for publication and is reproduced just as it was written, but it contains some valuable reflections on China and of the possibilities and limits of getting a detailed view of the country though such a journey - reflections which we would like to publish because no other written account of this experience has been produced by this comrade.

We can also refer to some material in issues of *Echanges* the last years: "China's New Labor Market" and "More than just Chinese racism - The anti-african protest" in no. 60 and "Has Deng Xiaoping really destroyed his own lifework?" in no. 62. (The latter written by C. Brendel, the author of the widely published pamphlet 'Theses on the Chinese Revolution'.)

## INSCRUTABLE CHINA: READING STRUGGLES THROUGH THE MEDIA

The bourgeoisie, by the rapid development of all instruments of production, by the immensely facilitated means of communication, draws all, even the most barbarian, nations into civilisation. The cheap prices of its commodities are the heavy artillery with which it batters down all Chinese walls, with which it forces the barbarians' intensely obstinate hatred of foreigners to capitulate.

-Karl Marx, *Communist Manifesto*

Why are the people starving?  
Because the rulers eat up the money in taxes.  
Therefore the people are starving.  
Why are the people rebellious?  
Because the rulers interfere too much.  
Therefore they are rebellious.  
Why do the people think so little of death?  
Because the rulers demand too little of life.  
Therefore the people take death lightly.

Having little to live on, one knows better than to value life too much.

-Lao Tsu, *Tao Te Ching*

The repression of the workers and students protests in China is presented by the media and the US government as one more example of the pitfalls of realized socialism as well as an unambiguous sign of the commitment by the Chinese proletariat to a free-market economy. Thus we are told that the students and workers on Tiananmen Square fought for Freedom and Democracy in addition to the acceleration of the processes that have put China on the road to a liberalized economy.

That this is the portrait of the events in China we are presented is no surprise. Both the Chinese and the US government have much to gain from such a version. From the US viewpoint, presenting the student-worker struggle as exclusively aimed at political liberalization serves to hide the economic dimension of the protest. Reporters have not asked, e.g., the students about their living conditions or the demand of the Workers Autonomous Association, the new independent workers' union that held a tent in Tiananmen Square together with the students. It also serves to bolster the claim that what is at stake is a choice between freedom (i.e. capitalism) and totalitarianism and thus to bolster the useful aspects of cold-war ideology that are presently

in danger of being once-and-for-all debunked by the Gorbachev love affair with the "free market" and the rush of Eastern Europe to liberalize and "westernize". The too rapid collapse of cold-war "tensions" worries the US government because it risks undermining its right to maintain a nuclear arsenal in Europe... (Hence the current policy efforts to simultaneously bolster the Deng state in order to gain cheap labor while continuing to make of it an ideological "enemy"...)...

As for the Chinese government, it is in their interest to present the worker-student movement as a foreign, "counter revolutionary" plot. First, as in other Third World countries, they know that appealing to anti-imperialist feelings is a good card. Secondly they capitalize on the hostility that is growing in China against the liberalization process, even though they are committed to continue on the liberalization road - the more so now that the resistance to it has been, if not crushed, powerfully subdued.

Was the spring 1989 movement in China pro-capitalist, as the US and Chinese media claim? Were the Chinese government's massacres, executions and incarceration of students and workers since June 4th a defence of socialism as both the US and Chinese media claim? NO. This agreement between them is based on an elaborate lie, but the uncoverers of this lie are the very liars themselves, the media, especially the arch-liars **The New York Times, The Wall Street Journal and The Economist**. Let us take as our first example the NYT of June 21, 1989 in the article "Campaign to Lure Back Business." How

Beijing Crackdown Proceeds Quietly in Shanghai  
China Ventures to U.S. Despite Woes at Home  
depict Zhao as  
Chinese delegates  
'Real World' View of China  
U.S. Official Urges  
making power  
play

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無欲以觀其妙  
是以輕死夫唯無以生為者是賢於貴生  
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是以難死夫唯無以生為者是賢於貴生

little the crackdown on students and workers is the expression of a new commitment to "socialist goals" is indicated by the indefatigable efforts the communist leaders have made - as soon as the bloody streets of Beijing were washed - to lure back foreign investors... flocking back at such a pace that the Japanese government had to warn its businessmen to be a bit more discrete. As one midnight wag commented... "Deng's slogan used to be 'Capitalism as a means, Communism as an end.' Now it is, 'Communism as a means, Capitalism as an end!'"

Here we have a contradiction between propaganda and knowledge characteristic of the US media coverage of the spring 1989 events in China. The main point of this article is to demonstrate that even without "special" contacts on the scene in Beijing, one can read the media to know at least in outline the class relations and confrontations constituting major developments like those in China... and that this possibility is no accident. Our claim is in marked contrast to the most articulated leftist view concerning the US media presented by Noam Chomsky and his co-workers. Chomsky argues that the media perform in a "democratic" society like the US what state violence does for "totalitarian" states like the Soviet Union and China; it creates obedience and consent. He has done much to point out the "thought control" aspect of the US media in numerous volumes, but seems to forget that the media also necessarily function as an intra-capitalist communication channel. For there cannot be a large-scale capitalist world without some widely disseminated

knowledge, and one can translate this knowledge into class terms. This side of the media is what this article will reveal in the case of China, in order to show that with a careful, selective, class-oriented analysis the lineaments of as complex a class struggle as the one unfolding in China in 1989 can be dechiphered.

For months prior to the student demonstrations a debate had gone on in China that reflected the extent of workers' dissatisfaction with the liberalization process and the dilemma facing the Chinese leadership, caught between the desire to further liberalize and the fear of social uprising. Under pressure by foreign investors who complained that "China is still paternal towards its companies" (i.e. its workers), throughout March the Chinese leaders debated the feasibility of new bankruptcy laws, whereby unprofitable companies would no longer be rescued but would be left to go bankrupt and therefore be forced to lay off their workers. That the bankruptcy issue had to do with workers' discipline was clearly stated by the NYT article "Socialism Grabs a Stick; Bankruptcy in China" (March 7, 1989). According to this article, "Chinese officials say the bankruptcy laws are important more for the message they send to the workers - that profitability matters, even in socialist society." The article goes on to say that among the problems plaguing Chinese companies there is the fact that they "share an enormous burden of pension expenses, sometimes supporting four times as many retired workers as those on the job." Moreover, experiments made in some towns with layoffs (for example in Shenyang) have not produced "satisfactory results." The companies had to pay collectively into a welfare fund to provide insurance to the laid-off workers, thus eliminating the risks that bankruptcy was intended to create. "Indeed, workers have been allowed to collect substantial wage benefits even when they leave their jobs voluntarily." The article concludes that "while some economists think bankruptcy should become a more common sanction, they acknowledge that if the government did close down money losing companies it could face serious labor problems. A Western diplomat in China who has followed the Shenyang experiments noted that workers already disgruntled by inflation might cause serious labor disturbances if they lost their jobs."

The "labor problem" has been one of the most thorny issues for the Chinese government in recent years. Reports from China repeatedly pointed to a coming showdown with workers. An article entitled "Three Chinese Economists Urge an End to State Owned Industry" (NYT, Jan. 10, 1989) stated that "companies try to maximize benefits to employees rather than profits and productivity." Right before the beginning of the demonstrations in Tiananmen Square, on April 6, 1989 the NYT ran an article entitled "Second Thoughts; Laissez Faire or Plain Unfair." It stated, "Inflation and corruption, along with fear of unemployment and resentment of the newly wealthy, seem to be fostering a reassessment among Chinese farmers and workers about the benefits of sweeping economic change. Some Chinese officials and foreign diplomats are growing concerned that the Chinese people, instead of helping the market economy, will become an obstacle to it." The article mentions a factory that had been attacked by 60 "jealous" people who smashed windows and cut the power supply. A hundred residents of the town the factory was in, sued the factory owner to force him to share his profits.

This article emphasizes a new phrase, "the red eye disease", which is used by the government to describe and attack those who are jealous of the wealthy. It goes on to say that in Inner Mongolia the government has established a special team of bodyguards to protect entrepreneurs from neighbors with the "red eye disease". In the northern city of Shenyang, a seat of the new experiments in modernization and liberalization, a worker killed his boss last year. He was executed, but became a folk hero because the boss was regarded as a tyrant. Summing up, the article stated that the Chinese had previously regarded the market as a "cozy place of prosperity, not a source of pain... Everybody in China seems to be grumbling these days, and even the government acknowledges the depth of the discontent." It quoted a **People's Daily** forecast of not just economic but political crisis and supported this by noting that urban residents with a fixed income are being hurt by the 27% inflation. Many people are far from enthusiastic at the government's talk of "smashing the iron rice bowl" which is "the system of lifetime employment usually associated with laziness in Chinese factories." Factory managers want the right to dismiss inefficient workers or lay them off when times are bad. Though the government is "gingerly moving in this direction, so far there have been no massive layoffs, even in Shenyang where the plan has gone furthest. A Western diplomat worries that if liberalization of the workplace results in many layoffs there could be severe wildcat strikes and social unrest. 'Many people want to retain the "iron rice bowl",' an Asian diplomat said, 'it's a good system for those who do not want to work too hard.'"

The "iron rice bowl" is not the only guarantee the workers are slated to lose. Housing is another. In a NYT article of March 1, 1989, "Chinese Face Epochal Wait for Housing", we are told that Zhao Ziyang had decided to make housing reform "one of the mainstays of the national economy." The article continues, "the decision to privatize home ownership was not taken lightly, for it challenges the underpinning of society as it has been interpreted here. For the last forty years, virtually free housing supplied by one's 'workers unit', or employer, has been as much of a staple of urban Chinese life as rice or noodles. Housing used to be a kind of welfare system, says a company head, 'We used to rent out very cheaply, but there was a terrible shortage. Now we're encouraging workers to buy houses.'" Concluding, the article noted that "The consensus is growing that rents are too low. Rents for a family of four averages the equivalent of sixty cents a month." Now, with the reform, houses being put on the market cost anywhere from \$13,000 to \$41,000, "a momentous sum in a country where the monthly wage averages \$25."

All the above goes a long way to explain the general silence by both the Chinese and US media about the "new union movement" which was present in Tiananmen Square with the students. It also explains why though the demonstrations were largely pictured as student dominated, the wrath of the Communist government has been directed primarily against the workers. The bulk of those executed for "crimes" committed during the spring events were young workers and unemployed men. But labor troubles were only one part of the problem faced in convincing the Chinese masses about the virtues of laissez faire. One of the most deep-seated causes of the present rebellion is the process that have taken place in the rural areas, following



the privatization of land tenure and the commercialization of agriculture. First a few media-communicated facts as reported by the *Journal of Commerce* (Dec.8, 1988): "China has already surpassed Australia as an exporter of agricultural products to the East Asia area."....

This great expansion in exporting capacity comes as a result of a decade-long process of privatization and commercialization of agriculture, which has profound structural effect on living conditions in the rural and urban areas. Among the main consequences is the fact that people are being thrown off the land. China is experiencing ... a massive enclosure process. Says *The Economist* (Feb. 18, 1989):

"Now that the prices of so many farming inputs, such as fertilizer and pesticides, are no longer fixed, farmers are facing steeply rising costs. And people are being squeezed off the land, as inheritance practices split family plots into units too small to farm... No wonder that a surplus population of 100 million unemployed or underemployed peasants should be tempted by the cities, where construction, commerce and the civil service are growing faster than industry. It is thought that the surplus of 100 will grow to 200 million by the end of the century. Meanwhile the government reckons that China has a floating population of 50 million transients, uprooted peasants who drift in and out of the cities without any legal right to be there... Even the city officials concede that the transients have their good points, filling casual jobs that might otherwise go begging. But the transients are said to be responsible for a third of urban crime and they help eat up subsidies for food that is meant for permanent residents: 400,000 kilos of vegetables and 130,000 kilos of meat a day in Canton."

The problem is, of course, "the strain on services." Some economists believe that the only solution is to phase out subsidies and have a "pay as you go" system of services based on the "law of value". *The Economist* continues, "Give those free reign, thought, and the likely short-term result is greater income inequalities, higher inflation and urban unrest."

A further consequence of the commercialization of agriculture has been rising prices, such that for the first time since "the Great Leap Forward" Chinese now face starvation. In May '88, indeed, the government lifted the controls from many agricultural prices and "permitted the market to determine the cost of many goods and services." As a result prices surged dramatically over the summer and there was panic buying. Inflation was as high as 50% in some cities. When the government announced that it would soon lift all price controls, many people assaulted the shops. The consequences of the high and continuously rising inflation on living conditions are indicated in several articles, e.g., "Why There Still is Promise in China" (*Fortune*, Feb.27, 1989) and "China's Restructuring is Enriching the Peasants but not City Dwellers" (*WSJ*, Oct. 10, 1988). The latter stated that the standard of living declined 21% in 1987 for city wage earners, causing panic buying, bank runs and even strikes in some state factories. There was rising anger among urban residents against the government. All this indicates that the protests of spring '89 were the latest, most explosive expression of a long process of resistance against laissez-faire economics and in this respect it continuous with the other uprisings against IMF "structural adjustment programs" occurring across the Third World. For example, in Venezuela, Argentina, Burma and Nigeria, there were riots and mass

demonstrations against price hikes, removal of subsidies and the liberalization of the economy in the spring of '89.

That it was the students who took the initiative is not surprising. There is evidence that students also suffered from the inflationary spiral. There are veiled references in the media to governmental promises to raise the budget for education. Given the world-wide experience with laissez-faire and liberalization, one can easily imagine the cuts in subsidies and how they have affected the students. It is interesting to note that a May 25, 1989 NYT article, "Aspiring Party Leaders at the Forefront of Revolt", reported that the leaders of the revolt were not the students of the University of Beijing but the more proletarian, less westernized students of the People's University who were more likely to feel the cuts in subsidies. Another reference to the hardships students faced is also in a May 25, 1989 NYT article, "Canton's Prosperous Students March", where a Cantonese student says that unlike in Beijing, in Canton students can always find ways of moonlighting to make ends meet. "People can always find an extra job in a hotel or driving a taxi."

Undoubtedly there are among the students some who correspond to the dominant media image; pro-western, anti-communist intellectuals who, of course, suffer most from restrictions on freedom of expression. But, by and large, the media also shows that the student movement moves along the same lines as student movements in other parts of the Third World, beginning with the student movements immediately adjacent to China, those of South Korea and Burma.

For example, the Burmese students have used their social position and organizational possibilities to lay the basis of a mass protest against the government and its corruption. For more than a year, they protested alongside workers and the unemployed in the face of massacres and torture. Similarly, the most reverberating demand of the Chinese students has been that voiced by those with the "red eye disease", "End Corruption!" which largely refers to the capitalization of the Chinese Communist Party, i.e. the turning of CP officials into capitalists. This aspect of the protests was played out symbolically as noted by the NYT May 25, 1989 article "Chinese Take Umbrage at Attack on Mao's Portrait", which mentions that "lately some workers and students have taken to wearing Mao buttons and pins, apparently to suggest their longing for the Maoist days of egalitarianism, honesty and selflessness."

Finally, let us consider two NYT articles that appeared 2 days after the Beijing massacres, when the question of civil war was being mooted: "Civil War for Army" and "An Army With its own Grievances" (June 6, 1989). The first reported that "all of China's senior officials have had extensive contacts with the American military and have attended courses at American military schools." It continued, "Emerging Chinese military thinking is based on the American model and China's modernization program is largely dependent upon American technology and equipment." Meanwhile there is discontent among the rank and file. The second article pointed out that the Chinese Army has been ordered to become self-supporting. As a consequence some units have used their trucks to start transport companies, their repair depots serve as commercial garages and their hospitals admit private paying patients. The article

drily reported, "Sometimes ill soldiers have been turned away to cater to patients who can pay... This has created wide-spread demoralization."

Putting together the articles from media available on any well-stocked newsstand in the US makes it possible for the reader to see that the student-worker movement in China is not the last episode of a dying socialism but the first manifestation of the post-socialist anti-capitalist struggle in China. The student protests at Tiananmen Square opened the space for the workers and government to take up their much anticipated confrontation. The US found the repression a welcome and "inevitable" result, for as the media had been commenting in the months prior to the crackdown, the question was not whether the anti-capitalist proletarian demands were to be rejected, the question was how.

Silvia Federici

Echanges has previously reprinted articles from Midnight Notes: In no.64 articles on class struggles in Mexico and in no.65 "Resistance to the plan has been heavy: The class struggles of the green revolution of India"

Midnight Notes, Box 204, Jamaica Plain, MA 02130, USA.



## SECRET CHINA DOCUMENT SHOWS FEAR OF UNREST OVER ECONOMIC REFORM

(Reuter; International Herald Tribune 14.Oct.1992)

BEIJING - China's Communist Party is prepared to crush any social unrest that may be created by its radical economic changes, according to a secret document. The ruling party is holding its first national conclave since the collapse of the Soviet bloc and the crushing of the 1989 Tiananmen Square democracy movement. The 2,000 delegates expressed their support for the Party's plan to use capitalist-style economics.

But the secret document indicates that officials fear worker unrest may result from the changes, which could take away social benefits enjoyed by millions and throw many workers out of jobs. "Security work should be strengthened at factories, mines, oil fields and other large and medium enterprises and vital state projects, Central Document No. 7 said. "During the reform of enterprises, internal security work cannot be weakened.

The document said it was necessary to "be alert to the appearance of factors that could lead to instability and prevent people with ulterior motives from stirring up workers to riot." It also ordered that strict attention be paid to the campuses, where the 1989 democracy demonstrations began.

General Chi Hoatian, chief of the General Staff of the People's Liberation Army, emphasized the need for stability as he announced that army delegates unanimously supported the plan for economic change. "The quicker the pace of reform, opening and economic development, the greater the need for a safe and stable environment which is partly based on national defense," the official Xinhua press agency quoted him as saying.

All of China's leaders have emphasized that no one may be promoted to the higher ranks of the Communist Party unless he or she embraces the twin tenets of economic reform and political control.



## CHINA SLASHING 400,000 JOBS IN COAL INDUSTRY

(International Herald Tribune 29. Dec. 1992)

BEIJING - China has laid off 100,000 coal workers and will lay off hundreds of thousands more in the coming years as part of a broad effort to modernize its energy industry, an official report said Monday. The report suggests that the Communist Party is finally grasping directly with the enormously complex and painful problems of industrial restructuring. In the past, the government resisted such layoffs for fear of provoking workers unrest - the same kind of anxieties and outrage that erupted in Britain in October when the government there proposed laying off 30,000 coal miners. The CP sees the problem the same way that the Conservative Party perceives it in Britain: Some mines are not economic to operate at present prices.

The official China Daily said that China National Coal Corp., a state-owned conglomerate that employs 3 million people, in 1993 alone would close 30 inefficient mines and lay off 30,000 miners and 70,000 workers in related jobs. The newspaper said that the company planned to reduce the number of its coal workers by 400,000 by the time the current five-year plan ends in 1995. The report added that another major state-run coal company, which it did not identify, also planned "massive layoffs to increase efficiency."

The China Daily also said that 100,000 coal workers already had been laid off, although it did not say when this happened. It said most had found jobs elsewhere.

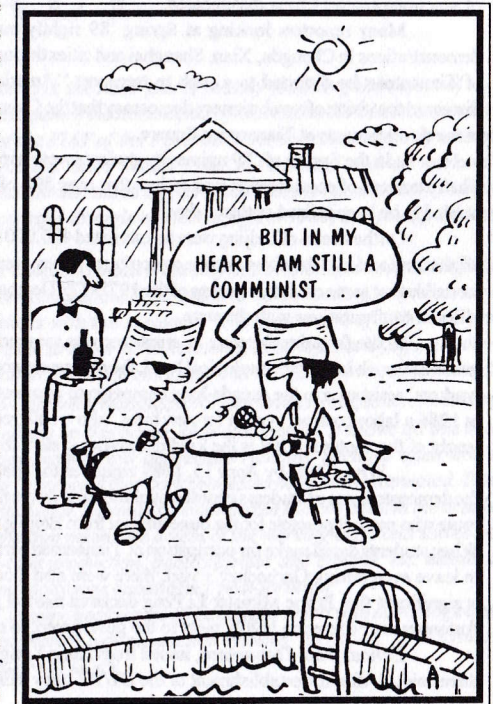
The Energy Ministry refused to comment. The coal corporation directed enquiries to Tan Enlui, director of policy research, who said that the article in China Daily was premature and should not have been allowed to be published. "We'd like to do these things," Mr. Tan said, referring to the prospective layoffs for 1993 and beyond. "But first we need approval. In January, the company will hold a conference to decide whether to go ahead with these plans."

State-owned companies like the coal company have been a headache for China's leaders. While the overall economy is booming at a 12 % growth rate this year, the main beneficiaries are private and collective enterprises. Among state companies, which account for about half of industrial output, only one-third are earning profits, with one-third experiencing losses and the rest breaking even. Coal mines have particularly suffered because their costs have gone up while the price of the coal they sell is fixed at artificially low levels by the state.

The solution is twofold: raise coal prices and lay off surplus workers. The government has worried, however, that consumers might protest rising prices for coal, which is used for heating and cooking, and that miners might protest the layoffs. Now the authorities appear to be moving on both fronts, not only in the coal industry but throughout the economy.

Elsewhere in the economy, state-owned companies are also restructuring and laying off workers. In the central city of Chongqing for example, the local Foreign Affairs Office says that a state-owned knitting mill was declared bankrupt in September, costing 3,000 workers their jobs. At least at that time, it was the biggest single bankruptcy that had been allowed in China, the local officials said.

Until recently, the state normally bailed out such unprofitable factories indefinitely, because of the fear of workers unrest. As a result of those incidents, the leadership



cooled down the talk about how terrific layoffs are for economic efficiency. And now, while going ahead with the restructuring, it apparently has decided to provide as many sweeteners to the workers as possible.

Each of the laid-off coal workers will be eligible for a no-interest loan of up to \$1,720 to help start a business or find work elsewhere. And the laid-off knitting workers in Chongqing were mostly given early retirement.



## CHINA: TWO YEARS AFTER THE TIANANMEN SQUARE MASSACRE

“... at the end of May 1991, students risked arrest at police-occupied Beijing university by throwing hundreds of leaflets from down windows calling for acts of defiance on June 3-4 to commemorate the second anniversary of the Tiananmen massacre and the bloodbath in Chengdu... Acts of defiance in the face of martial law has never ended in the two years since the Deng Xiaoping regime tried to drown the voices of revolt in the blood of thousands of workers and students. The counter-revolution resorted to immediate executions, especially of workers, then to show trials which ended just this February and to secret trials before and since, as well as firing workers and expelling students...”

A then-page document which Beijing students handed out in April... told of the continuing resistance: first-year students who had to serve a year in the army burned their uniforms after service; memorial meetings held in spite of police vigilance on the first anniversary of the massacre had ended with the singing of the Internationale.

When China gave a free hand in the UN to Bush to pursue his own bloodbath in the Middle east, the last pretense of sanctions against China disappeared.

Many reporters looking at Spring '89 rightly put their focus on Tiananmen Square, but disregard huge demonstrations in Chengdu, Xian, Shanghai and cities throughout China in at least 21 provinces... Nor can the meaning of Tiananmen be distorted to a wish to transport “American-style democracy” into China. To do so would be to disregard the vision of revolutionary democracy that the Chinese youth posed and to ignore the key role played by workers in the developments at Tiananmen Square.

...In the Spring of '89 university students were hardly isolated from workers and peasants in economic crisis. Their standard of consumption was so low that over 500 of those who became hunger strikers on Tiananmen Square needed to be hospitalized within 3 days.

On the streets of Beijing were an estimated 450,000 former peasants, part of the 50 million or so who were forced off the land and into the cities as state agricultural policy consolidated plots of land in fewer hands. These peasants were so visible that some activists, veterans of the 1978-79 Democracy Wall movement, considered homeless people possible allies in confrontations with the state.

In the factories the state as employer was measuring labor productivity against world standards. Given the generally much lower technological level, the difference would be made up out of the workers' sweat... Confronted with workers' resistance to the decade-long campaign to eliminate guaranteed jobs, state industry had begun implementing in 1986 a labor contract system for new hires, who would receive less pay and benefits and have no security beyond the length of the contract. That is the kind of two-tier system that workers in the US have become all too familiar with.

... When Deng by April 13, 1989 emulated the example of Mao 13 years earlier and dictated editorials calling the demonstrations of students counterrevolutionary, it was the 400,000 or more workers and townspeople who lined the route who made it possible for the huge turnout from Beijing university to reach Tiananmen Square through police lines. When students dared make the occupation of Tiananmen permanent by beginning a hunger strike on May 13 and refused to leave even during Gorbachev's visit, there were also thousands of workers in the square supporting the students. It is significant that Prime Minister Li Peng declared martial law immediately after the leaders of the Beijing Workers' Autonomous Federation boldly went to the government to register their federation.

*Echoes from Tiananmen*, issued from Hong Kong, has interviewed surviving members of the BWAFF. One of them said: “After the establishment of the BWAFF, they called for a general strike in Beijing in support of the students.

But student leaders persuaded them to go back to work. The students didn't want to provide any excuse to the government who might say that the students were disturbing the order.” He said what the Chinese Communist Party fear most is the collaboration of intellectuals and workers... News & Letters, June '91



## LETTER ABOUT A JOURNEY TO RUSSIA AND CHINA (1991)

### Moscow

“...instead of following the ‘compulsory’ touristic way, we managed through a friend to stay in a Russian home, to discuss a couple of hours with some syndicalists (considered as ‘anarchists’ but we could see that such a name had actually no meaning), to meet other Russian people, to measure the depth of the bureaucratic system and to see how most of the people escape it, to get some idea of the difficulties of ordinary life mainly to get food and basic goods. According to our friend (and one of his recent letters said it was neither better nor worse since our holidays there) it was not the chaos and most people could survive by sideways. Two examples to give you some idea how things work: Impossible to get a meal in a restaurant except if you can pay in dollars or are part of an organisation (a touristic one for us; food at home was rather poor but enough for a meal composed of tins, sausage, bread cucumber and some expensive berries sold on a very poor open air market (it was frequent to find in the street people selling for example tomatoes, or meat). Another example, transports: metro, buses, apparently running normally, taxis too; but you constantly get offered transport in private cars paid in goods - often cigarettes - or dollars. So, it is not chaos but it is difficult to know the share of public and private economy - open and underground and how such a society works. The discussion with the syndicalists expressed the same uncertainty: they could survive openly without a legal status and without money or material means, having a kind of office in an old house surrounded by an abandoned garden in the center of Moscow, a somewhat surrealistic, a bunch of very realistic militants without illusions about their contacts, influence and possibilities and very pessimistic about the uncertainty of their future. Having been in Russia even for only a short time was a good introduction to China because we could compare the inefficiency of the Russian bureaucracy with the efficiency of the Chinese one.

### The Trans-Siberian railway

What we could see of Russia and Siberia... the landscape was the same during long hours but changed completely several times but even so was more or less the same: the same villages or towns, the same dirt of sequels of industrial capitalism with some hallucinating marks of pollution (I remember for example some landscapes of white trunks of dead birch trees spreading to the horizon), the same small plots of grass or potatoes along the line contrasting with the

immense fields of state farms, the same poor and expensive food sold to travellers by traditional women on the platforms contrasting with what we could guess about the black market around the restaurant car. From all that, we could find exactly the same feelings we had had in Moscow: the wight and the ravages of the bureaucracy and a lot of individual attempts to escape it. We could also guess the level of industrial development: except for some evident modern techniques (the electric trains for example) it was like France just after the first world war: for instance, in Siberia, most of the individual transports were motorbikes with sidecars used for all purposes. All these things changed when we entered Mandchouria: it was more or less empty with some casual herds and industrial towns but practically no cultures.

### China

If one week in Russia only allowed us to give some partial and perhaps biased feelings, five weeks in China made it impossible to tell something else than a collection of facts and feelings. There are several Chinas, not only geographically and economically but also in the different classes of the population. We could make some generalisation on some specific points but on a lot of questions differences between the different regions we visited were so large that a generalisation is impossible. For instance I can't answer the question: how do people live? We know how two different families in Ningbo and Hangzhou live; they were teachers, what we here could call low middle class, though I think that the husband of one family was a bureaucrat in the city council; their wages and accomodation was more or less the same as a lot of other people. But I can't say more because I know nothing of the working class or of the top class or of the peasants; I can only describe what I saw of a lot of poorer houses in the cities or in the countryside, of a lot of better new houses in the richest district.

Because of the immensity of this country and the difficulty of transport (material, not political) we had to limit our visit to the eastern part of China and even so to three regions: Peking, Shanghai and Canton (Guangzhou). Two times we had close contact with Chinese families, contacts taken before going there through Chinese people living in Europe; but these contacts were in the centre of East China - in the richest part of the country and in both towns (Ningbo and Hangzhou) in families of teachers. We had several other addresses in other parts of China... but our limited time made it impossible. So you can see how what we could witness is limited and not open to generalisation.

You asked if we were able to talk openly with Chinese people. It is not a yes or no



question, rather a nest of questions the first one pulling out another one - what I said above about several Chinas is very relevant here. At first I have to say that the possibilities of contacts are very limited, not only because of the language (English can be used only in the main bigger towns... The first obstacle was to find a place where we could meet Chinese people more closely than in the street or in the restaurant. Hostels were divided in hostels for Chinese and hostels for

foreigners (We managed twice with the help of Chinese families to be in Chinese hostels but after a lot of discussions and the help of the other Chinese travellers and effectively it was an access door to more open and fruitful contacts.) Casual contacts were very easy and very frequent, some in English, some with the laborious help of a dictionary; Chinese people most of the time were very kind and helpful, very openly curious about foreigners. Sometimes in parks we were the center of a group of more than twenty people asking and answering questions; in almost all the small restaurants after a time all the customers were around our table to 'discuss'; it was the same in the trains. But even so, I will divide China in three parts:

- The north around Peking where the presence of the army, police, informers and Communist party network of control was more tight and evident (even more so in poor important industrial towns east of Peking)
- The rich center around Shanghai where people certainly had the same control but less evident, less open and more open to 'political' discussions
- The south already invaded by 'capitalist development' coming from Hong Kong and people more rushing to the western way of life.

Discussions as far as they could last were going step by step from personal to more general questions. But in the north it was practically impossible to go beyond a low limit when we could have asked open political questions. Our attempt to jump our this limit most of the time immediately stopped the discussion, people being frightened - not about being seen discussing with foreigners but discussing specific questions like the 1989 events or political problems. We had some rather sad and funny experiences when trying in a very shy way to know more from rank and file people. It was not the same with people having some function in the system; they discussed openly the problems of China and answered the questions as far as they were not directly political. In both families where we were welcomed, the break was between the generations: old people refused to answer questions about politics even about the Cultural Revolution. I tried several times by sideways to bring the discussion to specific points involving this period; every time they escaped the answer and discussed another topic. With young people

(between 20 and 30, all students) it was completely different. They answered any question without restraint and with a lot of details, but only outside home and when there was no possibility for anybody to listen to the discussion (for instance when biking in the street or walking in a park or outside in the dark). It will be too long to tell you the details; I can only add that even having discussed openly with some people inside China it has been impossible to maintain a correspondence beyond the usual banalities....

We were surprised to see nowhere external traces of the Communist Party as if everything of the past had been wiped away. No portrait of Mao (except a big one on Tien An Men square), no little red book, no political propaganda. Writings on the walls were advertisements, notice boards in the streets were covered with administrative local papers or posters which for example could be either a long list of 'criminals' sentenced to death or some advices to clean the streets. This 'absence' of the Communist Party contrasts with its overwhelming presence in every aspect of social life. The complete description of this domination of day to day life would take pages. For all the people we managed to discuss more freely with, the party was no longer considered as the party but as 'the government', it was 'them', another class far from them, having the power and with whom they have to count for everything.

It was impossible to discuss the events of May-June '89 in Peking. According to a French woman who had been in Peking the year before this event and back the same summer as us, Peking was completely transformed. Earlier a very lively city with very cheerful people and now a sad and silent city. In the north, even the young people refused to discuss these events and were very careful to avoid such questions and perhaps the contact with foreigners. It was not at all like that in Hangzhou as I mentioned above. According to them, student demonstrations and university strikes took place all over China in May-June '89; they said it was not for most of them a political fight for democracy but a protest about their conditions as students. It was political in the way that they were asking an opening of the possibilities to get a well paid job out of the tight control of the party. When I asked what had happened to these protesting students, they said they could be divided in three parts: some very disappointed (or repressed?) have left, some are trying to get some jobs bending to the party, some others - a minority - still fighting. In this town I see some 'unofficial' posters on the wall; I was told it was in support of the student movement and that some of them had been recently arrested. But we had to go to Hong Kong to discuss with a Chinese syndicalist to get more information about the involvement of workers in these 1989 events and the size of the repression which was far harder against the workers. When we were there most of the arrested students had been freed and most of the arrested workers were still in jail or in camps. This syndicalist told us that some years before '89 they managed to have a lot of contacts all over China among the unions, but that after the repression they had lost all these contacts, most of these people having been arrested. They had a long list of workers arrested and sentenced, but they said it was only a tiny part of the repression as they knew only the names having been quoted by the Chinese press or TV or radio for intimidation; all the others were unknown, buried in the silence of the camps.

I will tell you shortly some views on what 'freedom' means for Chinese and on the standard of living:

\* If you have a job you have an accomodation given by the 'committee' of your factory or school or hospital... You live in the same building as all the people working in the same place. You can't move to another place unless you move to another job; but to do so you must have the agreement of both 'committees', the former and the new one. Controls are everywhere for the Chinese.

\* Wages are the same for a worker, a teacher, a doctor... apparently. One of the teachers told me that once the rent was paid (rent is low), 90% of what was left was for food. No shortage of food in China; everything was sold everywhere (a big contrast with Russia). Most of the people worked very hard 6 days a week a minimum of 8 hours a day. Most of them could be assigned to work one place or another, less compulsory than during the cultural revolution but still used for most.

Nov.91

## ITALY

*The article "FIAT after FIAT" deals with power relations at the FIAT plants in Italy following the defeat of the workers' struggle against layoffs in 1980. It's a draft translation of the last chapter of Marco Revelli's book *Lavorare in FIAT* (1989). This book is about the whole history of the FIAT of the FIAT workers: the recruitment of tens of thousands of workers in the 60s; the end of the 60s with the 'mass worker', the 'hot Autumn' and the workers' antagonistic attitudes and practice towards company and unions; the struggles of the 70s; the recruitment of a new 'layer' of young workers at the end of the 70s; the unsuccessful struggle against layoffs in 1980; and finally the last chapter reproduced below.*

*Part of our reason for publishing this particular chapter is that it is the only one available to us in an English translation. It contains a number of reflections and information about FIAT which is worth reading, not necessary to repeat in these introductory remarks. The article starts with the sentence "The agreement of 1980 was not respected." This refers to an agreement after the defeat of the struggle in the Autumn of 1980 against layoffs. Another reason for publishing the article is that it gives information about the automation in the FIAT plants in the 80s. It shows how various sections of the plant was automated and for what reasons; it compares the strongholds of workers power in the old 'taylorist' work organisation and the effects on this power after automation. It shows all this in a concrete, detailed way which we think many Echanges readers will appreciate reading, because often one's 'knowledge' about automation is limited to just 'knowing' in general that work processes have been automated. This article shows it in detail and from an anti-capitalist point of view. It should be emphasized that we publish the article for these reasons. Not as part of an argument that automation means the defeat of the working class and solves all or most problems for capital, that automation, just-in-time production, quality circles and control, etc. means a defeat or disappearance of the working class, a fundamentally new capitalism ('post-fordism')...*

*We can also refer to some material about FIAT in some back issues of Echanges which with advantage can be looked at in connection with this article: "FIAT - Discovering new production systems" in no. 48, "FIAT Auto: A return to normal?" in no. 49/50 and "FIAT is booming" in no. 62.*

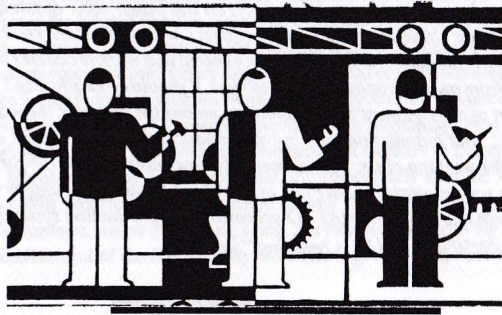
## Fiat after Fiat

The agreement of October 1980 was not respected. When the appointed time came, on 30 June 1983, none of the laid-off workers was taken back into the factory. The complex mechanism which had been supposed to guarantee external mobility from one job to another, was never allowed to function. Over a period of seventeen months, only twenty-nine out of the 7,437 on the "mobility list" succeeded in finding a job via the gigantic organisational machinery that had been set up by the Unione Industriale, the trade unions and the Region. [1] Whereas, on the other hand, tens of thousands of workers set out to fend for themselves on the job market, giving in to the pressure being applied by FIAT, and accepting a few hundred pounds in return for taking voluntary redundancy. And then they were irretrievably dispersed.

Already at the time of the first verification\* provided for in the agreement, in July 1981, it was clear which way the wind was blowing. The Company announced that it had excess stocks of 250,000 vehicles, and highlighted the crisis of the auto sector as a justification for imposing a particularly restrictive interpretation of the agreement: the number of workers permitted to re-enter the plants before the appointed date in 1983, in the Turin area, was to be no higher than 2,000. Furthermore, the workers destined for the "mobility list" - the workers that the Company most obviously wanted to get rid of - would, because of the new, worsened productive situation, be one thousand more than had been calculated in 1980. And the Company intended to pick them from among the 23,000 workers laid off in October, rather than, as the unions had been announcing, from the workforce as a whole.

At the same time it was becoming increasingly clear

what criteria FIAT was using in order to select the workers. Among those who were to be expelled from the factory, apart from the more militant workers who had been protagonists of the preceding cycle of struggles and who had a conflictual memory which was deemed to be incompatible with the new productive order, there were also others who figured in ways that were disproportional to their actual numbers in the workforce as a whole: women (over-represented to the tune of 100%; they made up 30% of the laid-off workers, but only 15% of the overall FIAT workforce); the young (over-represented by as much as 260%); disabled and handicapped workers, as well as the old (who were over-represented by 65%); and, in general, the less skilled sections of the workforce. At one fell swoop the Company succeeded in eliminating not only the vanguards of the struggle, but also the entire social composition that had come into the factory in the second half of the 1970s. What remained was a working class that was "mature" (in terms of age) and depoliticised; composed for the most part of 30- to 40-year-olds, most of them married (90%), and settled in the area; with many years of factory work behind them (more than 70% of them had been with the Company for between 10 and 15 years); and carefully selected at the level of physical efficiency. [2] At the level of Company policy, this was an ideal situation to guarantee at least a decade of productive order and social peace. At the sociological level, it was a perfect operation, carried out obviously through the systematic use of the informational networks provided by plant foremen, and a shrewd use of computers. Then, in the months that followed, the closure of the Lingotto and Materferro factories took the number of the proscribed\* to over



34,000. There was a strong incentive for people to take voluntary redundancy (in this period there were something like 17,000 laid-off workers who, for a few hundred pounds, agreed to leave the Company voluntarily). It also accentuated the situation of disorientation and lack of trust. So, when the head of FIAT-Auto, Vittorio Ghidella, at about the time that the agreement was to fall due, declared that "a responsible trade union must obviously realise that in a crisis situation like this, to demand that we re-hire workers is pure Utopianism", the response was nothing more than a formal protest. And nobody - least of all those trade union leaders who, in the autumn of 1980, had blown what remained of their own credibility in an attempt to reassure workers that they really were going to be re-employed - was surprised when, on 30 June 1983, FIAT asked the Ministry of Industry for an 3-month extension of the state of crisis that had been declared in the auto sector, and of the lay-off programme, thereby serving notice that the October agreement was now in tatters. And that everything would have to be renegotiated now, on the basis of the new, disastrous balance of power in the factory and the unfavourable situation in the market.

The new agreement, which was arrived at in Turin on 22 October 1983 despite the explicit opposition of the Coordinating Committee of Laid-off Workers, was to signal a further surrender to FIAT. Out of the 17,500 laid-off workers remaining (2,500 from the plants in the South; 15,000 in the Turin area), only 1,000 would be taken back into the factory in the course of the following year. A further 2,000 would, it was claimed, be re-employed in 1984, and a further 1,000 when the agreement fell due, on 1 January 1986. As for the remaining 13,500, there was silence. The Company undertook in general terms to "make it easier for them to take voluntary redundancy". In equally general terms the Company called on the government to "bring in legislation, if necessary special provisions, which could deal with the 'excess' workers".

Il Manifesto carried a headline saying "Goodbye Laid-Off Workers!" and in fact, for a long time, although they remained a disturbing presence on the social scene, the laid-off workers were removed from the agenda of political and trade-union discussion. They were only to be heard of again in 1986, when the sudden growth of the market posed a problem for FIAT in terms of hiring workers, and a particularly beneficial piece of legislation put at their disposal the institution of the "Work-Training Contracts". At this point they chose to remember that submerged area of social malaise, which by now

had been reduced to a shadow of its former self\* (about 5,500 people) by the long wave of voluntary redundancies. Even in this climate of overweening power, it would have seemed wrong\* to bring new personnel into the factory while completely ignoring their old undertakings. And anyway, these few thousand men and women could always be thrown onto the negotiating table as a bargaining counter to achieve even greater freedom in the use of the workforce: "We are prepared to take on two thousand of the laid-off workers over a period of four months, and three thousand five hundred by 1987." So said Maurizio Magnabosco, FIAT-Auto's industrial relations manager, on 11 March 1986. "So there is not much else to negotiate. We need to use our plant to the maximum, and for this reason we need to introduce more extensive night-shift working in certain departments. If this union undertaking is not forthcoming, then neither is the re-employment plan." On 19 March 1986, an agreement was thus signed registering FIAT's undertaking to re-employ, by July, 700 laid-off workers in the auto plants, and 1,300 in public administration, as provided for in Law No. 444, and in other sectors. For the remaining 3,500, they would be brought back in, in batches of 700 every three months, after "retraining" courses. But already by November 1986, incentivised redundancy meant that these workers were leaving at a rate of more than 50 per week, reducing the 3,500 to only 1,600, who were themselves likely to have disappeared by the middle of 1987. At the same time, several hundred young people were being taken on at the Turin car plants, with "Job Training Contracts".

At that point the long-running scandal of the laid-off FIAT workers came to an end. Of the 300 shop stewards who had been put on "zero hours" in October 1980, only 7 had succeeded in being re-hired at their old plants. Of the 34,000 FIAT workers put on state lay-off pay between 1980 and 1982, only 8,000 were taken back into the factories. At the same time, other tens of thousands of FIAT workers, who were not included among those laid off, agreed to take voluntary redundancy. Over the space of 6 years, the Company had succeeded in reducing its workforce by almost 50%, at a relatively low cost and without significant resistance. The community, on the other hand, had had to pay a heavy price for this entire operation: one only has to consider that between 1980 and 1981 the number of hours of "special lay-off" in the Turin area had, thanks to the effects of the FIAT operation, jumped from 3 million to 117 million (with the number of workers in the lay-off scheme rising from 3,149 to

57,293); and that in the following three years it would reach the record figure of 320 million.

This same period saw the collapse of the trade union. And, with the union, the entire factory Left. The working-class movement in Turin went from being a national reference point to become a structure that was disoriented and inert.

After the "final confrontation" in the Cinema Smeraldo, the *Consigliere* - the combine committee, the biggest organisation of workers' representation within FIAT - was not convened again. There was no attempt at a frank, open, honest discussion which could, without hypocrisy, take the measure of the seriousness of the collapse - even though this was the only way which might perhaps have avoided the defeat turning into catastrophe. The "institutions of the working-class movement" confined themselves instead to a stubborn defence of their own area. In a conscious denial of reality. For a long time the word "defeat" was banned. Anyone who dared say the word was looked upon with suspicion. In the language of organisation, the world was turned on its head. Words lost their meaning. The magic of words took the upper hand over the real state of things. For the professional political stratum, this was a way of escaping their own responsibilities; for ordinary people, it was a destruction of meaning.

Already in a document of 1 November 1980, the Turin Federation of the Communist Party had described the agreement as "difficult, but positive". It stressed the importance of the sackings having been withdrawn, the fact (which then turned out to be false) that "the process of external mobility will apply to the whole FIAT auto workforce (and not only to the 23,000 who are on state lay-off pay), after having sifted" the workforce with an internal manoeuvre which will be subject to negotiation", [3] the "guarantee of assured re-employment in FIAT" in 1983, and the assurance that this might "already be set in motion as from 6 January 1981". [4] There was no attempt to cover up the difficulties in the "running" of all this. But the negative assessments of a large number of shop stewards and workers was put down to misunderstanding: "a lack of information on the precise contents of the agreement"; "something of a gap between a struggle that has been long and weary and the compromise that has been reached"; "a certain underestimation (...) of the wearing-down of the mobilisation"; "the fact that the signing of the agreement came immediately after the Demonstration of the Foremen"; and most particularly, "an insufficient awareness of the 'struc-

tural' nature of the crisis at FIAT", the "rooted conviction, in some sectors of the labour movement, that FIAT's difficulties are conjunctural and transitory". [5] Finally, the weaknesses on the working-class front were related to the forms of struggle that had been used, particularly in the final phase ("The 'all-out' form of struggle," it was stated, "although it was useful during the first phase, in which FIAT set in motion the sacking procedures, it was a lot less justified in the phase subsequent to the suspension of the sackings, a suspension which was interpreted by the union and seen by the majority of shop stewards and factory vanguards essentially as a tactical manoeuvre of the employers, and not even as a first partial success of the struggle." [6] Similar positions were reported on the occasion of the national Assembly of Communist Party members in FIAT, in February 1981. [7] Nor did the subsequent, tormented events of the management of the agreement change these attitudes, at least until midway through the 1980s. Furthermore, the trade unions, with a few notable exceptions, followed a similar line.

In that same period, the name of the "leader of the foremen" - of the man Luigi Arisio, who had leapt into the headlines when he led the so-called "March of the 40,000", and who was now going around growing an impressive Walesa-style moustache - had begun to appear repeatedly in the programmes of public manifestations of the Left - as the guest of honour in discussions at the Turati Club, at conferences at the Unione Culturale, at the Festival dell'Unità, etc... The media had become bored with a working class that appeared played-out, so they made a beeline for this undistinguished crowd of foremen and management personnel, and turned them into news. And the Left, in its embarrassment, followed on. The socialists were convinced that they saw in those silent marchers the incarnation of rampant individualism, of an outright "modernity devoted" to its career, in struggle with the residues of the past, with the obsolete working-class identity. The communists were fascinated by a culture of work, by a cult of technology and production which, in many ways, they felt to be their own. All were in some manner caught up by that demon of political realism which leads to say that victory is the same thing as reason, and that success is the same thing as courage." And which offers a strong temptation to abandon the destiny of the victims and to espouse the cause of the victors. There were some in the ranks of the trade union who deluded themselves on the possibility of finding a new role for themselves, and a reconfirmation of their own power, pla-

cing their faith in the possibility of representing that "component of the world of labour", without realising that those men belonged - in the same way as the machinery, the buildings, and the parking-lots - to FIAT, and that their "loyalty" was not negotiable. None of these foremen and middle management were to come flocking to give new life to the union (the percentage of union membership in this sector was in fact to fall from 10.4% in 1980 to 6% in 1983). [8] And at the same time the unions were to suffer a haemorrhage of manual workers. In the afternoon of 15 October 1980, at the Cinema Smeraldo, Giovanni Falcone put his finger on a major truth: "I talk with workers," he said. "I talk with everyone, from the biggest scab to the biggest militant. And do you know what the workers are saying? They say that they don't have too much faith in us, the trade union, because too often we say things that we don't then live up to. But when FIAT says something, they do it. They say that 61 workers have to be expelled from the factory and never come back. And sure enough, 61 workers are expelled from the factory and never come back. They say that they have an excess of 23,000 workers? So exit 23,000 workers. It's a problem of credibility. Of credibility and of power. If you have the power to decide things, and to carry out what you decide, the workers will line up with that power." And that is precisely what happened. Silently, the workers registered their choice. By halfway through the 1980s, union representation in the most important departments of the Mirafiori plant had fallen to 12%. In FIAT as a whole, it remained below 25%. For almost a decade, negotiation was to remain a purely formal fact. The trade unions had no choice but to sanction decisions made by FIAT, which were placed in front of them "for form's sake", by a Company management who, unlike in the 1950s, had no interest in destroying the union, but had every interest in maintaining it as a useful fiction in the game of power and in political fiction.

Even the wage - one of the most sensitive indicators of bargaining power in the factory - fell to a historic low: research done by the Piedmont IRES-CGIL estimated that in FIAT-Auto in 1983, weighted gross average earnings, "calculated over the workforce as a whole, barely reached 14,700,000 lire, whereas in the local public transport corporation ATM - taken as a useful comparison in the local tertiary sector - average income stood at about 17,400,000 lire. Even by 1986, according to research carried out by the Turin branch of the engineering union, the net wage of a Grade 3 worker in the Mirafiori Body Plant, aged 35, with 4 biennial

increments and working an average of 172 hours per month, did not succeed in rising above a million lire (980,800, to be precise, a figure which included the payment of the 13th month and the annual bonus, which then rose to 1,115,000 lire in 1987, and to 1,230,000 in 1988, FIAT's golden year). Meanwhile, productivity was growing.

This is perhaps the most outstanding, and disturbing fact of the "New FIAT". This sudden, peremptory, violent increase in productivity, unthinkable until a short time previously, and which was to allow the Company to set about a radical reorganisation without even a slight drop in productivity. Without so much as a hiccup. Despite a reduction in the workforce of something like 50%, the number of cars produced in Italy in 1983 in the FIAT-Autobianchi-Lancia group would be barely 4% below the figure for 1980 (1,222,900, compared with 1,275,500). In other words, an increase of productivity close on 100%, and destined to grow even further (from 9.4 cars per employee in 1979, to 19.2 in 1986). [9] Broken down by plant, the results are even more striking: at the Mirafiori Body Plant, for example, where, in the fourth quarter of 1979, 2,240 cars were being produced daily, by 13,262 direct workers, in the fourth quarter of 1985, over 2,000 vehicles were still being produced every day, but with virtually half the workforce (7,183 workers). [10] At the Rivalta plant, on the assembly lines, the number of workers needed each day for production of a single vehicle fell from 5.38 in 1980 to 1.7 in 1986! In the Paint plant, the figures were even more dramatic: whereas in 1980 1,706 had been needed to produce a daily output of 1,110 vehicles, in 1986 it would take only 802 workers to produce 1,789 (from 0.65 per 450 minutes of work to 2.23 - virtually a 400% increase). Finally, in Metal Stamping, over the same period, daily production went from 1,110 to 1,624, while the number of employees fell from 1,337 to 670, a 66.2% increase in productivity. [11] In the whole period immediately after Autumn 1980, despite the massive expulsion of workers, FIAT was to continue increasing its sales (1,208,800 cars in 1980; 1,240,500 in 1981; 1,266,900 in 1983). It was also able to improve its own market position: it controlled 63.8% of the Italian market, and 10.8% of the European market in 1979; these figures rose to 69.4% and 12.2% in 1983. In the commercial vehicle sector, it rose from 30.3% of the European market in 1979 to 67% in 1986! Another indication of the scale of the "miracle" comes from a brief overview of the Company accounts. Precisely at the point at which the employment curve is broken (113,000 workers in 1979; 80,000 in 1981; 70,000

in 1982; 60,000 in 1984 [12]), the curve representing the income of the Company as a whole, but particularly of its auto sector, takes off, growing at a rate of 1,000 billion lire a year: 7,052 in 1979, 8,343 in 1980 (despite the labour disputes in September and October!); 9,445 in 1981; 14,392 in 1985. And then 22,142 billion lire in 1987; and 25,454 in 1988! Already in 1983 the \*\*\* came back into the black by 79 billion, rising to 402 in 1985, 1,535 in 1987, and 1,764 in 1988. The "structural crisis" of the late 1970s had by now been transformed into a continent-wide success story. Political victory had been transformed into an extraordinary rise in productivity.

The secret of this reversal of tendency goes under many names. It is called "restoration of the Company's right to manage", "restoration of productive order", "normalisation of factory life". It is also called fear, disorientation and surrender. "Today," a shop steward from the Mirafiori plant was to confess in 1983, "we get half an hour for lunch. But when the bell rings for the end of lunch, all the workers have already left the canteen, so as not to lose a minute of work. It's not that FIAT pushes you or forces you; it's because you have internalised the crisis, and since you're afraid to lose your job, you bend over backwards. [...] In the factory," he added, "we've now missed out on two generations of young people, and women too. In the 1970s people were beginning to talk about everything on the shop floor; these days, a lad with an earning is seen as a queer. The ways that the young people and the women who were hired used to think and act might have changed the factory, in fact possibly had started to change it. Nowadays FIAT is reviving its employee groups. Work-team and section meetings with the foreman are back in fashion, and round the table you don't talk about trade unionism, but about Juventus and football. Why? Because of the fear of losing your job, of becoming a statistic among the thousands of laid-off workers that there are. That's the fruits of the defeat of three years ago." [13] In the FIAT of the big defeat, it appears that not even the Valletta model will suffice for the new victors: In the words of Cesare Annibaldi, in the same year, one of Romiti's "colonels" during the 35 Days dispute, and manager of FIAT's external relations: "Valletta's brilliant way of resolving problems, the great energies expended in order to achieve his objectives, can still provide a point of reference for us today. But the comparison stops there. If for no other reason than that Valletta worked in a phase of major economic development, while we are still

trying to emerge from a crisis which is far from over." [14]

But there is also a deeper reason, less immediate and shared, at the origin of this strange industrial "revolution in one country", or rather in one company. A silent and impersonal power, which has transformed, virtually unnoticed, men and things, once again putting them into new positions, at the end of the cycle, in a world turned upside down. It is called technology.

To anybody looking from the outside, it appears as if nothing has changed. The same buildings are still there, with the same walks around them, the same stark grey factory buildings, the same smell of steel and burned oil. But inside everything has changed. The very soul of production has changed, the set of rules which organises it and guides it. The FIAT of the 1970s has disappeared - that FIAT which was a "working-class community", packed with people and life", with hard work and revolt, with people packed in together, back to back, on never-ending assembly lines, an inextricable interweaving of machines and human bodies, where the product seemingly struggles to get through the banging and the sparks that came from the tangle of arms and tools. The factory of the 1980s is a new world, in which the space for machinery has spread out, and appears to have pushed the workers back to the edges, thinning out their numbers, creating empty spaces between one and the other. And enabling the product to flow through a broad corridor empty of life, populated by automata with perfect and impersonal movements, almost as if to underline physically the incidental character of human labour. Its marginality in a system of production of machines by means of machines.

The old assembly-line has been broken up, shattered, "de-composed". Between the various sections, intermediate storage spaces have been created, known as "lungs" (*polmoni*), which are necessary in order to enable the overall cycle of production to "breathe". In order to guarantee fluidity and independence from the behaviour of single groups of workers, and from the inevitable technical malfunctions of individual work stations. An integrated system of monitors, of computer terminals, keeps the central computer constantly up to date on the progress of production, the situation as regards raw materials and stocks, and the condition of the equipment, so that the computer can see to all these in real time, re-stocking, coordinating pauses, and synchronising the various flows. What was previously done by foremen, with a thousand im-

precisions and improvisations, is now done by a machine, in silent perfection (in many instances an individual control station is able to carry out, in ten minutes, a quantity of work which previously would have taken an entire day). There has also been a reduction in the number of clattering overhead conveyors, the long chains bristling with hooks, which used to transport components from one assembly station to the next, down fixed trajectories, from one workshop to another, as they wobbled menacingly overhead, or passed in front of the men as they worked. These have been replaced, in the newer departments, with fast-moving, silent, robotised carriers (robot-trailers), which automatically pick up the components from the "lung", or from the preceding work station, and take it to the next station, guided by magnetic tracks buried under the floor, which in turn are controlled by a process computer which chooses the most opportune destination and the shortest route to follow. Totally automatic machines have replaced a considerable amount of human labour also in the assembly stations. These are second- or third-generation robots, whose anthropomorphism extends no further than their extremities - long, articulated arms ending in metallic pincers capable of handling a variety of tools, and of carrying out varied and complex movements. They weld, they spray-paint, they screw, and they assemble. They are capable of placing a valve in its seating with millimetric precision, without ever making a mistake. Or of firing off spot-welds down a track which may vary, as occasion demands. They are able to recognise different models of cars, either by touch, or by means of information sent down from the central computer, as they arrive, and then of varying their work programme. And if a defective part happens to arrive, normally they perceive it visually: then the machine sets off an alarm, raises its claws, and flashes a light, as it stops working, in order to permit the intervention of the maintenance team. Along the main production line, this accidental and residual aspect is the only time that has been left to human intervention. For the rest, the workers have ended up at the margins of the line, performing loading and unloading functions - humbly serving the machines. Or preparing accessory pieces, partial-assemblies, which the robots will then use in their work.

The sheet-metal working department (Lastroferratura) was, by tradition, one of the "hottest" departments. It was here that the basic assembly of the car body took place - the metallic skeleton of the car - welding the various bits of the frame, and

adding the boot, door, and various other parts. The men were crowded together particularly densely on the lines, wielding heavy electric welders, hanging welding guns which looked like anti-aircraft guns, which, with every spot they welded, released showers of sparks and a sharp smell of burned air and ozone. Or the workers would operate big levers, steel hammers, and hoists, in an indescribable din. This had been, for a long time, one of the principal epicentres of conflict, particularly in the spring and summer, when the heat became suffocating and the air unbreathable: there were many internal marches which started from the sheet metal department, and stoppages were endemic, often devastating for the productive cycle as a whole, given the strategic position of these workers.

Now the operations in the sheet-metal department are among the most automated. Robots looking like giraffes, with long flexible necks, stand at the side of the line, awaiting the arrival of component parts, pre-assembled, on specially designed carriers (pallets). By means of a photo-electric cell and sensors which are able to search and feel, they recognise the model from among the various possibilities. They are capable not only of distinguishing a "Ritmo" from a "Uno", but also a three-door from a five-door model, or a product destined for the Australian market from one destined for Germany, Holland, or Italy (this latter being the least ecologically protected, the least expensive to produce). And they are able - without this involving any intervention on the fixed part of the plant, but thanks exclusively to a different order from the software - of carrying out their intervention on all of the models that are likely to pass in front of them, moving their arms and placing, accurately, hundreds of weld-points. When one realises that a robot, costing around 40 million lire, replaces one and a half workers per shift - three workers per day - and that, with the rationalisation of the product, the number of weld-points has been halved (they were 4,280 on the FIAT 127; on the "Uno" they are 2,700), one is able to understand how radical the expulsion of labour-power has been. And at what a low cost. Furthermore, at the Rivalta plant, the entire sheet-metal working operation has been replaced, in the case of the more extensive range of models, by a single, organic robotised system, the Robotgate: a long tunnel, with walls that are made up entirely of robots, capable of welding the entire body. A small team of labourers in blue overalls are responsible for loading the component parts on pallets at the start of the cycle, and there are a few maintenance men, in magenta overalls, scattered along the line; these



represent the sole human presence in an area of thousands of square metres, which is otherwise completely "deserted", as FIAT's publicity brochures like to point out.

A similar transformation has taken place in the Paint Shop, one of the most hazardous departments in a factory which was already unpleasant enough to work in. Within the small spray-booths, a worker was not able to stand a full hour's work. Even wearing a face-mask, which few workers kept on uninterruptedly, it began to become difficult to breathe, and their lungs became encrusted with paint. Now their place has been taken by flexible, animated serpents which manoeuvre the spray-guns with regular, defined movements, which have been memorised on silent, far-distant computers. And they are capable of changing tools when they need to change colour, as well as changing their movements when the model changes. There is no longer the risk that, in order to gain a few minutes of time, they're going to damage their delicate work-instruments by banging them on the ground. And they don't need a ten-minute break every hour either, which had been a source of so many hard-fought struggles. In the sub-assembly areas of the Body Plant, however, which stands between the sheet metal department and the Paint Shop, the innovation has been of a lesser degree. Many operations continue to be done as before, by hand. And the same is true of final assembly, those departments in which, after the car body has been assembled and sprayed, and after the engine and the various mechanical parts have been assembled, the car is then completed with all the various accessories, from headlights to seats, from electrical equipment to internal trim. Here the movements to be carried out are too many, and too complex. There are too many parts that have to be assembled. So here men are still in a majority, but they are obliged to adapt themselves to the rhythms imposed by machines. Surrounded, upstream and downstream by robots, they are obliged to keep up with the pace of the robots, without any longer being able to count on technical stoppages due to breakdowns, delays, or disputes.

The "pits" were also, once upon a time, a key position. They are located at the confluence of the assembly cycle of the engine and the assembly cycle of the car body; effectively they used to control two of the principal sections of Mirafiori: the Engine Plant and the Assembly Plant. On this operation, 120 workers per shift, placed in deep, narrow slits cut in the floor of the factory ("pits", precisely),

would work continuously with their arms raised above their heads, in order to fix the engine to the car body with 19 long screws. It was a killing job (in order to screw the screws in, they used electric screwdrivers which weighed several kilos apiece; and few workers managed to stick it for long. But they had an exceptional degree of bargaining power; if "the pits" stopped, the whole of FIAT used to come to a standstill; even if only 50 of them decided to go on strike, they would leave another 30,000 without work.

Now, in their place, we have the Digitron. An enormous machine, ten metres high, which is the centre of a complex computerised system. The car bodies arrive overhead, brought on an aerial conveyor, in no particular order. At a certain distance from the Digitron, each of them sends out a computer message to the warehouse, indicating its own technical and commercial characteristics (what model it is, what market it's destined for, etc). From the warehouse a robotised automatic carrier leaves, carrying the required mechanical parts. Guided by the usual buried magnetic tracks, it begins its journey through a series of assembly stations - chosen by the computer according to criteria of the shortest route - where the residual human personnel carry out the operations of fixing on and completing construction of the components; and then it arrives, at just the right moment, at the base of the Digitron, at the same time as the relevant car body arrives overhead. At this point, a hoist lowers the car body onto the mechanical subframe, and automatically screws in the screws to fix the two together. Out of the 120 workers who previously worked here, only 2 are now left.

But the real novelty, the effective symbol of the new "organisation of work" is the LAM section (*Lavorazione asincrona motori* - asynchronous production of engines): a complex system of manufacture and movement which, in Shop 76 of the Meccanica 3 department of Mirafiori has replaced the old assembly-line system of constructing engines, and has introduced a radically new principle. The traditional line functioned, precisely, according to a rigorous unidimensional linearity, and a principle of one thing following another: the engine passed from one station to the next, with no possibility of deviation, and at uniform speeds, hauled by one single long assembly line; it would stop in front of the worker for an amount of time necessary for the operation, and then proceeded. If, in any station, for any reason, an operation was delayed or omitted, the entire system went into crisis. A disturbance at any point

of the cycle inevitably transmitted itself to every other point. With LAM, on the other hand, each work station is made independent of the others. A small self-propelled wagon - the *robot-trailer* mentioned above - goes to pick up from the stock department, or from another work station, the necessary pieces, and loads them automatically. Then, at a speed of 70 metres a minute, it transports them to the nearest free workbench, where a monitor informs the worker of the operation to be carried out. Each workbench is made up of two work positions; when the worker finishes the operation, he presses a button to inform the central computer, and moves over to work on the second position. Silently, a small *robot-trailer* will come to take the engine, and carry it to another bench, where further operations will be carried out; or it will store it in one of the "lungs" which separate the "ansa" or groups of which the LAM is comprised (each *ansa* comprises 12 operatives). If for any reason operations at one work station are slowed or blocked, the system would automatically choose another bench as an alternative solution, and the flow of production would not be interrupted. The crisis point would simply be by-passed, without any blockage being engendered. If an entire *ansa* were to become blocked, the stocks in the lung would guarantee at least 40 minutes of autonomy for the operations further downstream.

The logic of the assembly line has been totally transcended; from being one-dimensional, here space becomes two-dimensional, and thus more open, flexible and mobile. Where previously each individual point had an absolute importance, now its importance becomes relative. And time - which formerly ran in a uniform manner through each segment, and which could be controlled and slowed by each segment - is now shattered into a plurality of times - one for each work station - whose final value, in other words the measure of the overall productivity of the system, is known only to the central computer. And the central computer now manages the entire process according to a logic which is no longer individual - in which each individual was indispensable to the final result - but is systemic. Even the lunch-break is used productively: while the workers are eating, the machines automatically supply each work bench with the items necessary for work to proceed after lunch.

A not insignificant number of workers and shop stewards have been seduced by the magic of the new technologies ("Gianni Vizio, a trade union official with the Fifth League in Turin, declared, on the

occasion of the opening of the new plant, "There were some who wanted to put red flags at the four corners of the LAM, as if to say, 'The LAM is mine'.") But far more numerous are those who have been rendered useless, marginalised, and deprived of meaning and of power.

One day in 1979 - in other words before the "deluge" - I happened to meet a UIL trade union activist at the union offices. He was the shop steward for the maintenance team on the Digitron, an imposing man, with years of experience in FIAT. He talked of "his" machine as one would talk of a close friend, or a child wonder." He smiled as he described the perfect synchronicity of the mechanisms, and the mass of intelligence incorporated into its system. He described in detail a difficult dispute on the section, which had the maintenance squad on one side and the production team on the other. It appears that the production workers employed on the assembly of the mechanical parts had discovered a way to block the computer system which regulated the arrival of automatic trailers at the screwing station. The involved skilled teamwork; if each of them delayed signalling the completion of their operation by a few seconds, and kept the trailers on-station for longer than was allowed for, thereby making the number of free trailers fall below the threshold level allowed for in the management programme. This effectively put a spanner in the works and blocked the system. This would necessitate the intervention of the maintenance team, and the production workers would gain a half-hour break, and sometimes more. "I've spoken to the production shop steward many times about this, here at the trade union office," he told me, "but I can't get through to him. He's on their side. They think they can play games, they think they're clever. They don't realise that I could slap a video camera in there, in place of their buttons, to check when the operation's been completed. And they wouldn't be able to do a thing. I don't want it to come to that, because I believe in the importance of the interaction between men and machines. But if they continue, it will be inevitable." That particular shop steward, from the production team, is no longer in the factory, having been washed out in the deluge of Autumn 1980. The maintenance steward, however, continues with his electronic toys. And with his trade-union commitment.

The truth of the matter is that the entire Left, both in the trade unions and in the parties, fell victim to this seduction. Inextricably caught up, in its cultural identity, with the idea of progress, and accustomed to identifying itself with everything that is "new", and

to see itself as, by nature, being well up with the times, the Left was not able to resist the lure of these machines.

Still in Autumn 1980, commenting on the conclusion of the negotiations on the layoffs, the Turin Federation of the Communist Party was denouncing a serious "delay in technological and productive advances", accusing the company management of not having set in motion "in recent years, with the necessary urgency, processes of restructuring and renewal of the production system", and suggesting that this was the reason for the crisis at FIAT. [15] This was also the leitmotif of the conference of Communist Party members in FIAT, held in the spring of the same year in Turin, where a central point of debate had been apologetics for the "robot", and there had been unanimity among the labour movement in presenting itself as capable of managing this technological innovation which they accused FIAT management of not wanting, or of not knowing how to set in motion. An identical point of view was expressed in February 1981, at the National Meeting of Communist Party members in the FIAT group, where one of the qualifying points proposed featured the necessity of "coming to terms with the process of technological and productive restructuring, taking the eventual revival of Company negotiations and the management of any agreement reached as the terrain in order to make precise and concrete proposals as regards flexibility and production, in working hours, in organisation of production and of work, and of the overall negotiation of innovation to be introduced into the cycle of production." [16]

They had not realised - or they chose to ignore - the fact that, in the second half of the 1970s, FIAT had become one of the most automated manufacturers in Europe. In other words, that it had already undergone a process of radical transformation of its plants. And that it was precisely from that type of innovation, and not from its absence or from a delay in its introduction, that the profound difficulties of the labour movement derived. Along with the structural crisis of its strategic line. The very radicality and - how to describe it? - the uncallability\* of the defeat undergone in the Autumn.

The first experiments in robotisation go back to 1973 - in some ways the hottest year of the cycle of struggles that followed on from the Hot Autumn, the year in which it became obvious that the antagonistic behaviour of the workers was irreversible in character. The robotisation took place in the Lastroferatura, where the FIAT 132, and later the FIAT 131 lines, were robotised; also in the Body in White,

where automation was brought in, with the introduction of the first anthropomorphic robots). The installation of the Digitron ates from 1976. The Robogate was introduced for the Ritmo in 1978, and for the Panda in 1979. Finally, in 1980, the LAM came into operation. At the end of the decade, on the eve of the frontal conflict with its workers - FIAT had thus already completed the first cycle of intensive innovation, the most significant and devastating cycle, as regards the key points of the labour process. And it was preparing to embark on the second phase, which would be as significant from the point of view of results, but a lot less delicate from the point of view of industrial relations, consistent with innovation in the product. Far from being open to accusations of immobilism, FIAT had used very thoroughly the phase of stagnation of the market in 1975-80, in order to transform, literally under the feet of its workers, the technology and the working environment. They pulled the rug from under them, so to speak, in a foretaste of the ideal political and technological conditions of the "final confrontation". All this is confirmed in an internal Company report of March 1983, on Experiences and tendencies in the organisation of manufacturing work in the FIAT Motor Company. "Already at the start of the 1970s," we read, "FIAT virtually already had the principal lines on which it would be possible to move," with a view to resolving what was considered as the "core of the question", in other words, the "rigid links" posed by a negotiating partner who was motivated by "an explicit intention to overload the assembly lines with passivity, in those areas where the lines are subject to mechanised traction with a high line speed, in an attempt to wear down their operations, and get the better of them." The document continues: "After 1973, in order to face up to conditions of a saturated market which was of uncertain duration, and with qualitative and quantitative ups and downs in demand, it was decided to introduce technological innovations which were also recognised as being useful for recovering the margins of flexibility which had been lost as a result of labour contestation. [...] As from 1977, and throughout the 1980s, the model of the rigid production line, supplying identical products over a period of many years, was gradually being replaced by a production system with high flexibility, whereby each productive entity (eg each section) could supply different elements to different productive entities downstream according to quantitative programmes and qualitative mixes which were variable in time within fairly broad limits." The decision to choose the LAM system, which represents the highest synthesis of this "pro-

ductive philosophy" goes back, according to the document, to 1975, to the height of the cycle of conflict, to the phase in which there was the biggest gap between the demand for flexibility posed by the market, and a rigidity of the workforce: "The optimisation of all the characteristic attributes of the productive process in the area of engine assembly was the object of attention by the management of the Meccanica department of Mirafiori, as from 1975. It is from that period that we began to see the emergence of a progressive and constant fall-off in the productive potentiality of the area in question."

The catastrophe of 1980 was not, therefore, the final traditional conflict, still played out on the terrain of a factory that was antiquated and more or less uncompetitive because it had not innovated. Nor was it an attempt to offload onto the workers the faults of a management which had not dared to play to the full the card of technological innovation - this was the challenge thrown up by the trade union and labour movement - and which intended to recover competitiveness with the traditional mix of repression and exploitation. What we saw in 1980 was, instead, the first real conflict in a factory that had already been transformed by technological innovation. This truth is hard and unpleasant to face up to for a Left which has been born and raised in the dogma of technological progress and of its irreversible positive value - in the myth of the transformation of the world through the "development of the productive forces" - but the liquidation of the working class as a subjective dimension within the labour process was the product of the future, not a regurgitation of the past. The consequence of the new, and not the tenacious holding-on of the old. The harsh necessity imposed by the laws of the new machinery, not the useless and regressive outcome of a refusal to change.

Only a technological leap of exceptional amplitude can explain how FIAT was able, in less than two years, to absorb such an enormous fall in employment levels without any significant decrease in production. But more particularly, the collapse of the workforce can only be explained by a deep, substantive transformation of the productive environment, a total metamorphosis of the labour process. The dissolution of its capacity to resist.

The truth of the matter is that what had happened in the factory in the second half of the 1970s, in what was apparently the quiet period of the "productive truce", under the surface of a trade-union power

which now seemed impregnable, was a totally new philosophy of production. A principle of organisation of the factory which was going to strike directly at the points of strength of the preceding composition of the working class. And which found its own synthesis in a new and simple formula: flexibility. Flexibility in relation to the market, for example: whereas, previously, every time a model changed, the entire structure of the plant necessary to produce it also had to be transformed, but now within a given system of machines, a fairly broad range of models and types can be produced at will, with a very high degree of elasticity (the welding plant at Rivalta is capable of producing, on a daily basis, between 4-800 FIAT Ritmo cars, and between 1,000 and 600 FIAT Uno); an essential condition to be able to bear up on a market which has become extremely accident-prone, mobile, changeable and complex, with peaks and troughs, sudden changes of taste, and geographical dislocation. But the flexibility also has to be seen in relation to the workforce. For the Company it means the possibility of freeing itself from the tenacious grip to which it had been subjected by working-class initiative in the preceding decade; it renders work, so to speak, "liquid", and no longer controlled rigidly in quantity (and in part also in quality) by the "collective worker", but once again controllable and fluid. I do not believe that, as the rhetoric of innovation has often maintained, that in the new factory, what we have seen, or what we are seeing, is the transcendence of Taylorism. The separation between conception and execution, and the advanced fragmentation of jobs - the two key characteristics of the "scientific management of work" - are not at all removed by the robots and the electronics. In fact, in many instances, they are worsened. However, what is most certainly no longer practicable within the productive context created by the new technologies is that "working-class use of Taylorism" which had constituted one of the fundamental characteristics of previous trade-union experiences at FIAT. What has been transcended is the element of rigidity which derived from the incorporation of the organisational principles of Taylorism in a mechanical technology that had no margins of freedom, and which was incapable of interacting with "disturbances" (both political and technical) of the environment.

The "soft" character of the new electronic technology, its capacity for following up modifications to the environment by absorbing them rather than by making them antagonistic, as happened in the case of the very rigid mechanical technology; its capacity to present to the worker a picture of a labour process

that is always mobile and changeable, deprives the workforce of that formidable instrument of resistance and of power which was the (admittedly oppressive and violent) traditional factory.

In particular it overturns that specific relationship between space and time, which had been defined by the traditional assembly line, and which permitted the workers, both as individuals and as a group, to watch, moment by moment, the level and the variations of their own productive activity, the quantity of physical energy ceded to the product, and therefore gave them the ability to control them. On the linear and rigid assembly line, all you had to do was an elementary calculation of the number of pieces that had gone down the line, in order to be able to measure instantaneously the degree of valorisation of capital, the relations of power in the factory: one car more in a given unit of time, meant that the bosses had the upper hand; one less meant a strengthening of working-class power. An instantaneous calculation, made possible by a long working-class training, by a years-long familiarity with the factory and with a labour process that was constant and immutable, and which made possible an accumulation of knowledge, and of sedimented experience. Now, however, with the spatial dimension having become elusive and changeable, with a path of the product having become permanently unstable and unforeseeable, even the possibility of perceiving and calculating the amount of work-time transformed into the product becomes unsure, and in many ways unattainable by the present state of working-class experience. This leads to an effective disorientation which is, at the same time, an identity crisis, a dissolution of their capacity to exist as a collective entity in the face of a social power which is no longer identifiable with certainty, no longer measurable. The calculation of the productivity of the system as a whole, unlike the calculation of the productivity of the line, which was immediately perceivable by one and all, now belongs solely to the machine. To the computer. The "scientific organisation of work" is once again functioning in the same one-way fashion that it was conceived and developed to do.

Thus, in the case of the technological revolution of the late 1970s, were seeing a repeat of what had already happened on the occasion of the revolution of subjectivity in the late 1960s, and which seems to have become a distinctive characteristic of this model. One of the two powers in struggle takes over, so to speak, the qualifying characteristics of its adversary, reverses them, and makes them its own. In those days it was the workers who took

over the model of production instituted by Valletta. They made it a principle of organisation of their own conflict. Now, however, it is management who measures their own metamorphosis against the same form of working-class conflict. To change and overturn its principles. Starting from that basic characteristic known as autonomy. Working-class autonomy, then, understood as the autonomy of the worker from capital and from its cycle (in the form of insubordination); autonomy from the market and from its variations (in the form of the independence of working-class struggles from the economic conjuncture); and finally autonomy from the contents of labour and from the product (alienation).<sup>4</sup> Now what we have is autonomy of capital from "its" workers, from their movements and rigidities (in the twin form of advanced automation and financial abstraction); autonomy from disturbances in demand and from the wild mobility of the market (in the form of the flexibilisation of the cycle of production); finally, autonomy from the product itself (through advanced diversification and multifunctionality of plant).

So, autonomy. And one could also add: hegemony. A sizeable part of the innovations brought about in the 1970s had, as one of their principle characteristics, that of improving the environment. In particular the interventions concentrated in the very early phase took as their principal motivation the transformation of the quality of life in the factory, and only secondarily the lessening of conflictual pressure (in the second phase the principal object was to be the flexibilisation of the productive cycle in relation to the market, and in the third phase innovation would be concentrated more specifically on the product. These interventions related to segments of the labour cycle characterised by a high degree of health hazard and unpleasant conditions, where the trade-union demands for structural interventions had been strongest. According to an inquiry carried out by Prospecta in 1979, the motivations for the introduction of robots were "the elimination of hazardous work" (23%), "increasing productivity" (28%), an improved "control over production" and a greater flexibility of plant (20%), and the "improvement of quality" (11%). Furthermore, out of 28,964 FIAT auto workers who were involved in interventions to modify the organisation of work, at least 20,584 were so following the application of precise Company agreements with the trade union organisations. In other words, virtually the totality of innovation brought about in FIAT in the 1970s was as a result of negotiation and plant bargaining. And all this was seen by shop stewards and trade union leaders

alike as a victory.

This becomes obvious when one looks at FIAT's own internal documents. Among the "varying forms of thrust" that the Company places at the origin of its own innovative strategy, we find, in pride of place, "the workers' expectations to carry out their activities in improved conditions and work environment, or the growing refusal to carry out work which is laborious, unpleasant, and risky to health, and to seek out concrete possibilities of professional development in the face of an increased level of schooling among workers"; "trade union pressures in order to introduce more dynamism into the grading structure through having the organisation of work reflect back on skill levels of workers"; and, finally, "the ideological thrust by part of the trade union movement, to introduce, via changes in the workplace in the relation between the factory hierarchy and the workers, broader based changes at the level of society..." Thus, as regards the LAM, the Company states that the "involvement of the organisation of work at the level of a change in professional contents has been remarkable; the system presents the advantage of freeing men from monotonous, repetitive jobs that are devoid of a real professional contact; the generic worker is thus replaced with a technician who is highly specialised... It is difficult objectively," FIAT concludes, "to imagine in a technology of engine-assembly a quality of life that could be better in overall terms than what has been carried out in the plant in the question." Some years after the inauguration of this new plant, much of this has been revealed as being untrue, as is shown by the Meccanica factory council; in reality, after the first period of operation, when high productive standards were achieved, the relations between man and machine were reproduced, and the new professionalities have been revealed as being far less creative and rich in content. This is certainly the case. But what counts is the fact that, at the moment when the LAM was being thought up, planned for, and set in motion, the trade union organisation was ideologically and technologically involved in it; it understood it as a success, albeit partial, for its own strategy of demands. In some ways, it was seen as an element of "workers' power".

Similar considerations apply in the case of robotisation in the Paint Shop. As the FIAT document states, "the most recent paint spray booths have radically modified the work environment, improving it to levels that would have been unthinkable only a few years ago... The presence of robots in the Paint Shop at Termoli, Rivalta and Cassino, as well as

guaranteeing an absolutely constant quality, avoids the necessity of having men in the cabins..." In this case too, the representation is only partially true. The truth is that, alongside the robotised sections there is still parallel production taking place in traditional spray booths, which workers, however, are deprived of the negotiating power that they once enjoyed. But this does not remove the fact technological can present itself here as an objective removal of elements of unpleasantness for the workforce.

Furthermore, the moving beyond the assembly line, its progressive abolition, was, after all, one of the strategic demands of the labour movement in the preceding phase. It was one of the characteristics qualifying the "new method of making cars" dreamed up by Bruno Trentin. Now it is precisely here that FIAT hegemony lies. In this capacity to realise integrally its own antagonistic project in relation to the workforce by actually building into it large significant sections of the working-class programme. In the possibility of carrying forward a lethal attack on the working class of the 1970s, presenting itself (and not merely in ways that are fictional and manipulated, but also in some sense true), as the realisation of some of its basic demands. As its significant "conquest".

We learn from "FIAT Illustrated" in September 1989 that "an important initiative has been taken jointly by the Mirafiori Press Shop and the Mirafiori Body Shop. In order to improve quality and in order to satisfy our customers' demands and needs, the Quality Circles from the Mirafiori Press Shops will carry out a series of visits to the Sheet Metal department in the Mirafiori Body Shop." The official Company magazine continues: "There are in fact difficulties in supplying pressings" that are suitable for immediate use in the assembling of car bodies. The visits, which will be led by the people responsible for the manufacture of body stampings, are intended to bring the "supplier" closer to the "user" downstream, inaugurating a dialogue in order to bring about an integration of the two functions." [Note] "In the same context, we learn that in the Lancia plant at Chivasso, the "Filo Diretto" group set up by Luigi del Porto, has contributed to a solution that had cropped up on the Ducato model: the breaking of the sheet steel, during the stamping process, at the point at which the petrol tank filler is assembled." And that, "the 'Sorgente' Quality Circle, set up by Nicola Quattromini, has sorted out and resolved the difficulties created by the petrol filler for the Delta model." [Note]

For several years now, thousands of FIAT employe-

es have been staying back in the factory at the end of the shift, voluntarily, and without any extra pay, in order to discuss with the foreman the innovations most likely to improve the product. They draw up schemes, they put forward proposals which sometimes they see taken up, they compete with each other for prizes, such as a radio alarm clock, a trip to another FIAT plant, an electric drill..." [Note] These are the "Quality Circles", a Japanese invention (there are about a million of them in Japan, involving over 10 million workers), which spread rapidly in the United States (currently they exist in 80% of big companies) and which, at the start of the 1980s, also took root in FIAT. In September 1983 the co-director of FIAT Auto, Ruggiero Ferro, stated, in his presentation of the initiative: "I would like to express a wish that the Quality Circles are going to become a philosophy of life, and that one day tomorrow the whole of our Company will become one great big Quality Circle." [Note] His wish has not been completely brought to fruition. But at the same time that it has fallen into a void, as one might have expected in a company where, for more than a decade, the word "collaboration" was seen as the next best thing to "treachery". Silently, the Quality Circles have been spreading. At the present moment they number about 450. They have names like "Vanguard", "Determination '89", "Archimedes", "Diogenes", "Falcon", "Technology 2000"... And they involve more than 5,000 workers. Their philosophy is simple. In a market that is becoming increasingly insecure, quality is taken on board as the principal criterion for guaranteeing sales, and the intention is to improve the entire operational process of the factory, with a view to maximising it, beginning from management of the workforce and the utilisation of its creative contributions. Each Quality Circle is made up of a small group of people - from 5 to 10, employed on similar jobs (in other words, a "homogenous group") - who meet regularly in order to "improve the quality of products and the service provided by the Company [...] to suggest solutions to existing problems in their own areas of work, and insofar as they relate to quality, productivity and conditions of work, [...] to create an atmosphere of trust and of mutual respect, and to develop the understanding and professionalism of its members." [Note]

It is less simple to explain the reasons for their relative success. Or at least for their presence. Is it fear? Subordination? When all's said and done, this is the factory in which, for decades, prior to the Hot Autumn, it was customary to butter up the foreman with presents, with workers arriving on Monday

morning from the countryside with a rabbit, or a chicken, or a bottle of wine, in exchange for a job "off line", for a lighter job. So one should not be surprised if the old forms of *captatio benevolentiae*, which continued to exist beneath the surface of the conflict, now re-emerge, in a sort of "long term", in a form that is rationalised and technocratically matched to our times, with those two hours rendered up to the "image" of the Company. Or perhaps it is real consensus. An acceptance of the Company environment as an exclusive vital world; of the Company's identity as one's own identity, after the hardfoughtness of the defeat has cancelled out all alternatives. Or perhaps, again, an unsatisfied and diverted instance of participation; a residue of unexpressed creativity, which is no longer expressible in the customary forms of collective action and solidarity, which is now entrusted to individual initiative and to competition. The first time I asked Pietro Perotti about this phenomenon, he told me: "You have no idea how much need and capacity for creation there is among FIAT workers, even among the most de-skilled, among those who you would think only know how to screw in bolts. There was one old worker, in my section, who, working in his free time, in his shed, built a proper piano. A complete piano. He made every part of it, from the keys, to the strings, to the pedals... Another sculpts in steel. There are people who make little model cars, better than Giugiaro make. They will never ever resign themselves to the assembly line. They have to find an activity into which to put something of themselves. Up until a short while ago, the struggle absorbed a lot of creativity. But now... even that is being taken by the employer."

Working-class innovation in work procedures, in their own instruments of labour, has always existed. Nobody knows better than the worker what would be the most rapid and efficacious way to carry out an operation. And there are whole series of little gadgets - \*\*\*\* - which are made spontaneously with makeshift means and used in order to simplify and speed up the job. Until very recently these constituted a sort of "hidden science" of work, used in order to gain free time in the factory, far from the prying eyes of the time and motion office, below the threshold of visibility of the technicians of the scientific organisation of work. Now, the novelty lies in the fact that in the environment of the "strategy of the smile", management is now taking account of this submerged knowledge, of which, up until a few years ago, one could not even talk. It has come out of the terrain of deviant behaviours (in some instances sabotage, even) in order to become a potential

resource. And this too is "hegemony". The press office of the FIAT motor company, using an unfamiliar language, says: "But how can we not take account of working-class experience? Not only experience, but also the imagination and elaboration of people who for years have worked at the last link of the chain. A contribution of this worker who, in an informal way, modifies the tools that are given to him in order to improve the job, in other words the product and the quality of his work, of his life, we could say that it is fundamentally important for us to recognise it, and to reward it."

But the "Quality Circles" are not the only measure of Company hegemony. There are also 100,000 active FIAT's employees, and the 25,000 pensioners, entitled to membership of CEDAS, which gives them the right of access to the Company's sporting facilities; there are the something like 30,000 workers who every year take part in the activities promoted by the FIAT recreation, sports and cultural activities committee; the 50,000 people who, in recent years, have taken part in the "Family Days", the open days which the Company organises in each plant so that FIAT workers can offer their own family the sight of the place where they work; the 400,000 visits to FIAT swimming pools by employees and their families; the 6,000 children who are sent away every summer to the chain of FIAT holiday camps, under a practice that was inaugurated by Valletta, and which has been revised recently.

And there are also, above all, the 86,000 FIAT employees who hold shares in the Company. A first step in this direction was taken in 1984, when it was decided to offer 6,200,000 ordinary shares to middle and senior management, at reduced prices. This was the Company's way of rewarding those who marched in the "March of the Foremen" on 14 October 1980. One way of confirming and consolidating the loyalty pact that was struck on that occasion. Thirteen thousand of them took up the option of this fragment of ownership. Then, in September 1986, the offer was further extended to the mass of employees: 22,500,000 shares, which were no longer "ordinary" but "savings" shares (in other words, with no voting rights), to a value of 5,000 lire each: a capital of more than 112 billion lire, acquired by 65,000 FIAT workers currently in the plants, and by 8,000 pensioners, who, from that moment on, became participants, albeit only to a minimal degree, in the fortunes of the Company. And who gambled a part of their own savings (on average #750 each) on its future.

Of course, this is not the only face of FIAT in the 1980s. Behind the facade of consensus there is also another FIAT, which is less reassuring. It is less visible. It has a strange, impersonal name: UPA (*unità di produzione accessoriatica* - accessory production units) but in the language of the working class there are more familiar terms for it: "banishment section", "ghetto", "discrimination", "isolation". Gad Lerner, one of the few Italian journalists not to have been pacified by the surface appearance of the "FIAT miracle" has referred to it as a "court of miracles". And he described it, in his book *Operai* ("Workers") [Note], which is a harsh indictment of present conditions in the factory, with all its crude characteristics: "The lame and the crippled, the mutilated, the heart-attack victims and polio sufferers with over-large bodies on skeletal legs", [Note] the deaf, the dumb, the handicapped, all thrown together with pitiless selection, in a shared life with ex-militant shop stewards, with those who are still left of the great army of redundant workers.

In the Turin area there are five officially recognised UPA: the Robassomero plant, opened in 1985, with 320 workers (40% women); the via Biscaretti plant, opened in November 1986, with 360 employees (40% women); the plants in via Orbassano (170 workers) and Bruino (85 workers); and Ricambi at Airasca (298 people, 30% women), all of which were inaugurated after 1986. [Note] Old warehouses, disused workshops, not even belonging to FIAT, but rented in haste, as if to highlight the spurious character of these operations, on the "periphery of the Empire". From the FIAT point of view, they represent the putting-into-effect of the agreement of October 1983, in which they undertook to "re-insert a quota of workers in a suitable working environment, where necessary in specially constructed units", a sort of "final solution" of the problem of the laid-off workers. They gather up all the "undesirables", many of them disabled and injured,\* those whom FIAT would have been expected to maintain in the period of big growth, on the basis of agreements governing "obligatory hirings"; the old workers, too worn out and damaged by work on the line to have a proper place in the new factory of quality and consensus; and the old vanguards of the struggle, now greying and demoralised.

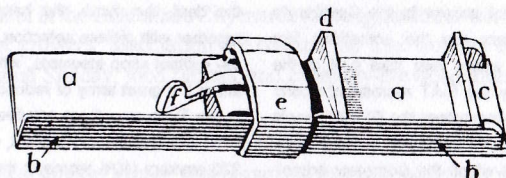
According to a recent opinion poll, it appears that 64% of them have more than 18 years' service with the Company; 25% were brought into the factory under the "obligatory hiring system"; 93% of the others are invalidated in FIAT prior to 1980. Trade union membership runs at about 55% (a far higher percentage than in the production plants themself-

ves). Fifty-two per cent of those who replied to the questionnaire feel that they were destined for the UPA because of their invalidity; 25% because of their trade union activities; 62% state that they had been offered money to leave; 80% said that they were deeply unhappy with their working conditions. [Note] But their voice remains unheard.

They are, and remain, the other face of FIAT. The face that must remain hidden. The face which is not shown to esteemed visitors. Which, at best, is hastily liquidated as the "necessary price to be paid for progress". But which, perhaps in the machinations

of managerial psychology has a specific role, because that now residual nucleus of marginalised, handicapped and derelict workers, that thousand or so victims penned up at the margins of the most gigantic concentration of industrial power in Italy, has a symbolic value. It represents the unpitying\* allegory of the noisy years of the 1970s; the image, deformed, as in every cruel rite, with which the victors of the 1980s now like to represent, after the "great fear", what it is that remains of the preceding decade.

End 1989



### FIAT - ARBEITERKÄMPFE IN TURIN 1974-80

*This old pamphlet published by a German friend is available from Echanges. It consists mainly of translations into German of articles from journals like Collegamenti and Primo Maggio and has the following chapters: -Workers struggles in Turin 1974-78 -Characteristics of recent struggles -What has become of the workers' subjectivity; analysis of the struggles at FIAT in 1980 -Crisis of the system and of the capitalist parties -A dangerous manoeuvre, on the subversive character of manipulations from the FIAT management in the last years.*

*Some of this material is relevant as a background to the article "FIAT after FIAT", for example the chapter "Characteristics of recent struggles" (a summary can be found in Echanges no.21).*

### CLASS STRUGGLE IN ITALY

*Collegamenti Wobbly, a journal published by Italian comrades, has often been referred to in Echanges, but there has seldom been any articles by the comrades in our English edition. Partly for this reason, but of course also because the articles are interesting in themselves, we publish two articles below by Collegamenti comrades written end of 91/beginning of 92 and available in English. We have more recent material on Italy - about autumn '92 - available and this will follow in another issue.*

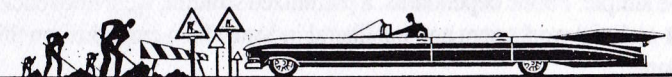
## THE COBAS. ITALY 1986-88: A NEW RANK AND FILE MOVEMENT

This Echanges pamphlet describes the period in which the so-called 'COBAS' in Italy sprung up - a period which also saw the emergence of 'coordinating committees' in France. The COBAS however was an attempt at a far larger scale of autonomous struggle organisation. This very well documented pamphlet - one of the few and one of the best in the English language - tries to picture and explain their ups and downs and their relation to the economical, political and social structures. The pamphlet gives a lot of information about many aspects of the article on class struggle in the public sector in Italy.

What's happening with the alternative structures in Italy is difficult to follow and we would have wanted to have an updated version of the pamphlet, but this project has not yet materialised.

### CLASS STRUGGLE IN THE PUBLIC SECTOR IN ITALY

capitale & lavoro



1 Public services in Italy have, over the last decades, undergone a twofold and contradictory process. On the one hand, the demand for a social wage in the form of services to the public has grown strongly: medical assistance in the context of the population's higher average age, more extensive schooling to the degree of 90% secondary students in the Northern cities, etc. At the same time the demand for a higher quality of these services has grown, a quality opposed to their hastened, clientelistically managed and delayed development. On the other hand, there has been pressure to "rationalize" services, to cut down on public spending, to reduce proletarian pressure on public spending. A classical example has been the introduction of "tickets" for medical visits and analyses to raise more money and, most importantly, to halt the explosion of demands upon services. The 1989 workers' strikes were the weak (in the long run) but important answer of large working class sectors to this kind of operation.

2 These processes have brought about significant changes for the workforce of the public sector. Already in the 1970s there had been important struggles of precarious school teachers, hospital workers, transport workers etc. In the 1970s' surge of factory struggles demands were made

upon wages, equality, and the removal of the hierarchical structures of work itself. Public sector struggles were facing a direct counterpart, the system of parties and unions, structurally softer than industrial capital, and therefore the workforce's self organization and a "soft" handling of the conflict (sometimes even patronage) have been significantly interwoven with one another. Also, the miracles of the informatic "revolution" notwithstanding, service work has turned out to be less easy to rationalize than industrial work, in spite of the fantasies of some sectors of the CGIL union federation, and consequently work has remained remarkably "porous".

3 In the mid 1980s, capital made another attempt to rationalize. Contractual wage rises were restricted, or capital tried to restrict them, to productivity rises and growing efficiency. Even the wages of public sector employees were considered an economic factor to be subjected to severe cuts. To give one, but important, example: school teachers' wages went down 15% between 1978 and 1985. Workers' relative passivity in politics and in the unions after their active opposition to the 1983/84 dismantling of the 'scala mobile' (the automatic adjustment of wages to the level of inflation), the umpteenth crisis of the Left, national capital's general necessities of rigor - this made government, bosses and unions try a jump towards a more effective management of the public sector. Massive state subsidies to private enterprises and to the powerful professional associations, the corruption of the party system etc. left little credibility to the "rigorous" intentions displayed by the government, but ideologically the operation was quite simple: Public dependants, a patronized stratum, were to go back to industrial discipline. Post-stalinist workerism and neoliberal industrialism embarked on this noble enterprise hand in hand.

4 Public sector workers' response was the COBAS (grassroots committees) movement. This was not a unitary experience, it did not evolve in all public work sectors, it took on different forms etc., but there has no doubt been a "cobas effect". School workers, temporarily freed of union mediation, began to fight, railway machinists did the same in a more sectorial form, a plethora of experiences developed rapidly. This experience is well known, and I would just like to recall how international some of its dynamics were. The bosses and the party system had to pull back temporarily and to agree to quite considerable wage rises. In the meantime and in perfect harmony with the unions they acted on the general legal side. Union legislation has been radically modified and assimilated to that of other developed capitalist countries. Union statutes about strike self-regulation that have proved ineffective have been replaced by a regulation by law of social conflict in the public sector, increasingly there have been real and efficient sanctions against illegal strikes. The blocking of the grading conferences of the 1991/92 school year organized rather poorly by the school grassroots committees, are now being paid for with fines of more than a million lire per capita. Government, bosses and unions, better equipped on this terrain, are now regaining the offensive they had lost in 1985.

5 Schematically we expect the following:

\* A cut of public sector wages by 10 to 15% over the next years. The only way for "able and meritorious" public employees to defend their individual or, at most, group wages will be by agreeing to those concessions to productivity prevented by the precedent movement;

\* Pension cuts for all waged workers and over-proportional cuts for public employees, probably taking away their still existing privileges; the privatization of public enterprises as well as social services. Private enterprises are pushing to get into social services, just like religious organizations licenced by the state. A foreseeable growth of private services combined with an even more substantial growth of private health insurances foreshadows a hard but interesting future for public employees.

Workers' reactions so far can be schematized like this:

\* Many don't believe that there will be real changes because the christian democratic regime traditionally treats its clientele with caution. They're not all that wrong: The christian democrats don't want a real policy of austerity; the problem is, however, how much the christian democrats' will counts today.

\* Many believe that there will be changes, but that those changes won't affect themselves but only the newly employed in the public sector. This is a moderate, maybe a more sensible, variant of the first attitude;

\* Many believe that there will be a restructuring which might make things worse, and that there is nothing they can do about it, and that, on the contrary, it is better not to stand up against it in order not to draw the attention to oneself. Those who have this kind of attitude are moved by a "sense of guilt", and therefore they accept the general assertion that the public employees are privileged;

\* Many believe that they can fight the worsening conditions as a particular social segment, defending particular professional and cultural characteristics.

Cosimo Scarinzi

## PROBLEMS AND FIGHTS IN THE ITALIAN BANKING SYSTEM

### General situation of the banking system

In the Italian banking system today, mergers as well as changes in the legal status and social situation of the banks appear to have top priority. The merging process results from the highly fragmented character of Italian banking: there are over 1000 banks, and for the moment, there is nothing like the level of concentration that exists in other leading European countries.

Whereas in France, Great Britain and Germany, for example, from three to four banks control the market, in Italy this is not so. At least 15 to 20 banks play an important role, but there is a sort of "continuum" in which it is impossible to make a sharp distinction between large and medium-sized firms. In addition, small and even minuscule banks have created vigorous trade associations that demand to be listened to in the decision making process, and owing to a political stratum with close ties to the diffuse banking sector, they manage to influence government and processes of change.

The issue of concentration in Italian banking thus recalls the situation in Spain, where the seven main bank conglomerates have already initiated two important mergers, leading to the creation of the Banco de Bilbao-Vizcaya group and to the recent merger of Banco Centrale and Hispano Americano. In Italy as well, as we'll soon see, a similar process is under way, along the lines of the division of power previously defined in the 80s: a series of scandals and bankruptcies (Banco Ambrosiano, Cassa di Risparmio di Prato, BNL of Atlanta, to mention only the most conspicuous examples); a debt-ridden state that hopes to get out of the red by selling off part of the public-sector banks; and the stiff competition of foreign banking colosses. All these factors have increased the pressure to form bank groups that can hold their own by the fateful date of 1993.

### **Pace and forms of concentration**

The pace and forms of this concentration process follow two paths:

1) The Amato Act, proposed on Aug. 26, 1988 and voted on July 18 1990, which provides for the transformation in two years' time of public sector banks into limited liability companies. This is to affect a large number of banks: six large banks (BNL, Banco Napoli, Banco Sicilia, San Paolo Torino, Banco di Sardegna, Monte Paschi Siena), 87 savings and loan corporations (including two major ones, CARIPLO and C.R. Torino), the 100 people's banks, as well as many others. These banks employ over 200,000 people, i.e. some two thirds of Italy's total bank personnel. There are several reasons for this change in legal status: a) to sell bank stocks on the market, thereby attracting private capital instead of transferring other public funds into the banks; b) to worsen conditions for bank workers, who will thereby be exposed for the first time to layoffs and job mobility; c) to promote concentration and mergers in banking.

2) Merger as mere "synergy," i.e. bringing two banks together that are complementary, with various strengths and weaknesses, and that therefore stand to gain from combining forces. For the time being, a number of mergers are under way, but the process is a slow one, since an agreement always has to be reached first between the two major government parties (Christian Democrats and Socialists) as to the distribution of seats and the balance of power. Furthermore, while the initial plan was to offer tax breaks to banks involved in mergers (billions of liras in tax exemption), at present, with the budget for 1992, the government seems to have "repented" and cancelled this offer. Mergers are therefore going to be less of a breeze than was thought. The general idea is to unite a bank with considerable assets and one that is in need of assets, or a bank

with a large number of branch offices and one that only has a few, etc. So far, the following operations have taken place:

a) The Cassa di Risparmio di Roma has absorbed the Banco di Santo Spirito and plans to merge with the Banco di Roma in March 1992; the new bank will ultimately employ 25,000 people.

b) The CARIPLO is purchasing IMI, a public-sector bank worth 6000 billion liras and that has little staff but a lot of business.

c) San Paolo di Torino has purchased the CREDIOP, a public-sector bank that weighs 4000 billion liras.

### **Struggles and problems of bank workers**

Enough has been said about banks - now we should say something about bank workers. Their struggles and problems are obviously intertwined with the processes occurring in banking. The last cycle of strikes took place in Autumn-Winter of 1989. The most important issue in the conflict was settled in the workers' favor: the question of power ended in fact in a draw, something which was by no means clear at the start. In practice, the companies wanted to impose less favorable contracts, such as those applied to metalworkers or in retail, on about 100,000 bank workers, thereby saving a great deal on future wage increases. This demand was entirely defeated. In the future, however, the banks will renew the attack and attempt to "empty" their headquarters and branch offices of "surplus" staff.

What can banks do to reduce labor costs? There are several ways to attack working conditions and bank employees' pay. Let's begin with pay, which in my opinion always represents the central element in Italian capitalism, a capitalism that for the past 150 years has made its fortune on the basis of low labor costs. Keeping labor costs down will be the only way to stay on par with foreign banks. Indeed, in both France and in Great Britain, not to mention Spain, Portugal, and Greece, bank labor costs are considerably lower, and this obviously also applies to the US and to Japan. The situation in Germany is perhaps different, but German bank employees lack a tradition of struggle, and the country's banks make their fortunes by following Germany's powerful companies abroad. Owing to the huge money supply that they handle, they are in a position to grant high wages.

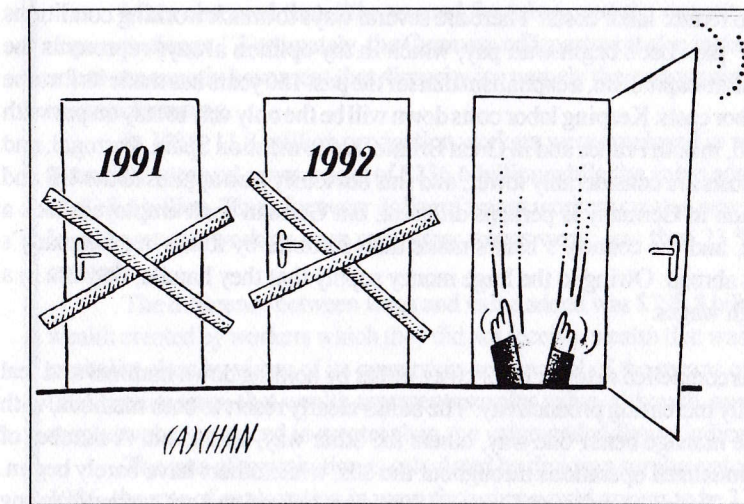
Italian banks are thus compelled to lower labor costs, either by holding down nominal and real wages or by drastically increasing productivity. The banks clearly resort to both methods, with diverse results: some manage better one way, others the other way, and so on. A number of important banks rationalized operations throughout the 80s, while others have barely begun. BNL, Banco di Roma, Banco Napoli, and Banco di Sicilia are behind and are currently trying to catch up as fast as possible. CARIPLO, Monte Paschi, and San Paolo di Torino are perhaps in the forefront. Banca Commerciale, Credito Italiano, and most of the other banks are

somewhere in between. The vanguard banks are more afraid of conflict, which they seek to forestall or avoid by granting pay increases over and above what other banks offer. The "backward" banks are faced with quite different problems: each of them has between 1000 and 3000 "surplus" employees, who have to be gotten rid of without too much ado. All of this emerges clearly from the various company contracts, including those that are currently being negotiated. Some banks have granted considerable increases in annual bonuses in just a few days (from 1 to 1.6 million liras), others are still negotiating, still others refuse even to discuss the matter.

The rigidity of banks on the wage front thus varies according to the level of productivity (i.e. exploitation) that characterizes them. In general, it can be said that bank workers are at the top of the pay pyramid, since they average 30 million liras net per year and cost their employers at least 50 million annually, with pay differentials of 100/164 for the large of mass of employees ranging from teller to middle-level manager (in other words, excluding the 15 % in upper management). (On this subject, I have a practical proposal to make: why don't we take advantage of European integration in order to calculate, say, all these ratios in ECUs, thereby avoiding currency conversion headaches?) The average bank worker's pay check can be broken down as follows: 1/3 cost-of-living escalator, 1/3 base-pay, and 1/3 miscellaneous (seniority, company canteen, bonuses). The employers would like to reduce seniority and cost-of-living increases, while giving more weight to other factors such as bonuses based on company results, or even individual merit. Wages would thus become a more flexible tool for motivating

employees, who would certainly have to run a lot faster than before. But this is not specific to our sector - it is part of the general problem of wages in Italy today.

There are, however, other means to reduce the overall wage bill through changes in workforce composition, and



the banks have made just such changes on a mass scale. A first step in this direction was replacing longstanding employees, who cost more because of seniority, and who are less flexible and

productive, with younger, less protected employees. The overall bank work-force grew little in the 80s (300,000 workers in 1980, 325,000 in 1990). But my opinion is that at least half of it was constituted by new workers. This has brought about deep changes among employees. Those who conducted the most vigorous, "qualitative" struggles from 1960 to 1980 were sent off into retirement, often with considerable incentives. Employees who started working in the banks in the 80s are lacking in both memory and experience of struggle, even at school, and therefore assume that restructuring is an ordinary event. They leave things to the unions and may not even realize that their conditions have gotten worse.

The employers' attack, which began at the end of the decade, represented a threat to the unions themselves, and has perhaps shaken people out of their torpor. The strong following for strikes in 1989-90 demonstrates a higher level of awareness, but also of fear, regarding the changes at hand. The coming decade is likely to be decisive, one in which we will have to show whether or not we understand what is going on. For the time being, the banks have started to pressure people into early retirement (i.e. voluntary quitting with good severance pay, especially for public servants, managers, and employees who have already accumulated their pension rights). There is talk of sending 1500 public servants into retirement in the six banks that are heading for the private sector. At present, 18% of all bank personnel are public service managers, whereas the proportion in Italian industry is 12%. This means that in the next few years, 6% of these public servants are to leave. But how many employees will have to pack their bags? If banking is the steel industry of the 90s, then from 30,000 to 90,000 workers will have to find a new job, depending on the way in which technological change and economic expansion interact. There exist additional ways to raise individual productivity, for example by increasing production without hiring anyone new. Between 1980 and 1990, the banks went from 12,000 to 17,000 branch offices (+ 45%). Staff increased by about 8%, an increase that might even be greater considering the number of operations or the money supply handled per worker. A vast rise in productivity and in value added has thus occurred. In addition, the banks have considerably branched out into previously unknown markets. It can be said that they have played their cards right.

But what about the behavior of the workers? Personnel screening has become more demanding, only the best students pass the exams, and a subtle ideology has made itself felt in training programs. At a time in which only corporate arguments have any legitimacy, the japanization of social relations and the litany on quality have made inroads in the banks as well. New technologies, introduction of new products, and the continuous rationalization of work are making rapid strides, absorbing everything the individual knows into the computerized labor process. The only thing left for the counter clerk to do is to have access to the machine system in order to get the information he needs as efficiently as possible. Conscious activity, skills, and sense of purpose are to be restricted to just a few areas and positions, in general, those related to sales. At present, only sales people are aware of what they do, and it is no accident that they



are usually cut off from the productive process, about which they often do not know the first thing - others take care of it in their stead. The workforce is increasingly stratified in terms of power and knowledge. Yet the machine system remains in and of itself a sort of inert mass. For however many automated procedures there may be, a human filter between customers and machines is still essential, and the coordination of operations will continue to require, for decades in my opinion, the labor, however humble it may be, that sets it in motion each morning. We need to continue or resume a careful analysis of the productive cycle, particularly where a second wave of branch office restructuring is taking place, following the initial basic automation. However, I don't believe today in any kind of technological utopia. It remains, of course, to be seen what combination of people and machines will be economically viable tomorrow - and whether the possible employment cuts that ensue will be socially viable in the years to come. In conclusion, I believe that the future has yet to be written. Self-organized action, in the true sense of the term, has never been significant enough in the banks to be able to function independently of the unions. A number of factors explain this: continuing decent wages, the gradual erosion of state-regulated conditions, the strategic bargaining-power of the sector, and the existence of a strong union specific to banking that organizes one fourth of all unionised bank workers. But the union collaborates more and more openly in a spirit of co-management and will clearly accept any and all compromises. The companies will thereby be able to carry out soft-style, sugar-coated layoffs, offering strong incentives. Yet it should not be assumed that everything will go without a hitch. Perhaps these younger workers, who grew up without myths or hopes, who are increasingly squeezed by the new forms of labor, and who are more and more exposed to market forces, will develop new forms of resistance: new because they are the product of new individuals, for new goals, perhaps against new enemies. But these new movements, which we hope will be sweeping and impetuous, will in any event be compelled to practice what we are most attached to: the good old class struggle.

Turin, Oct. 10, 1991 - Renato Strumia

## GERMANY

### CRITIQUE OF AUTONOMOUS ANTI-FASCISM

#### A Tough State and Soft Heads or: "Your Courage and our Cunning"

(This article is not recent, but was published a long time ago in the German journal *Wildcat*. It deals with the background to the violent attacks on foreign workers in Hoyerswerda in ex-DDR at the end of 1991 and the anti-fascist demonstration which followed. After this event, attacks and various counter-mobilisations have continued and often been widely covered

in the traditional and the leftwing press. The following article gives an analysis of the Hoyerswerda demonstration and the practice and attitude of 'autonomist' demonstrators which in our opinion are interesting and well worth reproducing.)

*The following does not claim to be a comprehensive critique of the demonstration in Hoyerswerda. The demonstration was successful on a number of scores: There was a lot of spraying and stiking-up of posters (for a few days Hoyerswerda must have been the most colourful town in Germany). On the day itself a lot of things were discussed in general, and this probably had consequences which went beyond the day of the demonstration. However, we want to draw attention to a few weak points in autonomous anti-fascism and pose a few questions which, unfortunately, are not being raised by anyone. The following is merely a start and not an analysis of the overall situation, but just a few ideas on how our struggle against racist tendencies and our intervention in the class struggles might look.*

Until the 1960's Hoyerswerda was a small village in Saxony. Then a "workers' town" with 60,000 inhabitants was built overnight, with almost everyone there working in the brown coal mines. From the early 1980's on, the DDR imported tens of thousands of cheap labourers from Mozambique and Vietnam to work in these Cottbuss brown coal mines. They were crammed into hostels, frequently 4.5 men in a room. With the end of the DDR and the projected closure of the gigantic open-pit brown coal mines, they were gradually sent back to their home countries. About 200 were still there when a group of fascists drove Vietnamese traders away from the weekly market in the middle of September. The latter retreated into the hostel. That night stones were thrown at the hostel ...

For some time the management of the brown coal mines had been making life difficult for the foreign workers. For example they raised the bonus for German workers by more than DM 800 but only by DM 200 for the foreigners and at the same time making an "offer" to them to terminate their contracts before they expired. Instead of accepting this they went on strike for the same bonus as the Germans, and management responded by refusing them entry to the company premises. Negotiations followed in the hostel without any results. Three hours later the attacks on the hostel started.

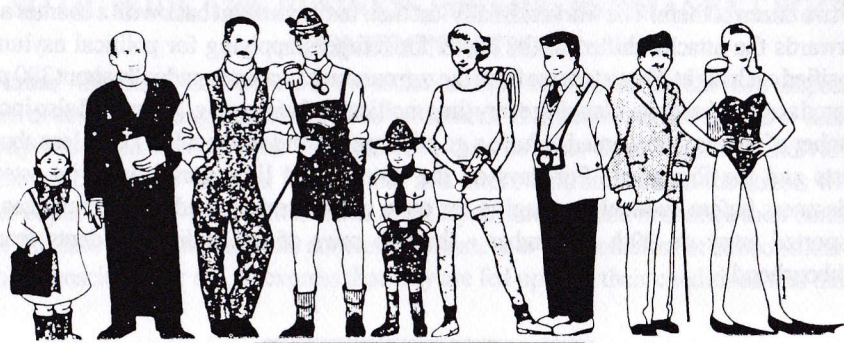
In order to get rid of the foreign workers, the company would have had to give them severance pay. (There is also a rumour that the owners paid or incited the fascists; some people claim to have seen them talking.) The following night the fascists returned, and this time there were two dozen of them. The workers finally lost their temper and hit back with a counter attack. Afterwards the attacks shifted to the hostel for refugees applying for political asylum and intensified each night. Fascists came from the surrounding area, and gradually about 300 people gathered around the scene, clapping every time molliies hit their targets. The crowd also included a number of youths who wanted to have a go at the police and who couldn't care less about the fascists and the foreigners. For days on the state played little games with its ostensible helplessness before suddenly arranging for most of the workers and all the refugees to be transported away on 29th September - through rows of applauding residents from the neighbourhood.

“Hoyerswerda” was the most concentrated mobilisation of the state to take place so far. At the same time it revealed the most concentrated agreement between the left and the state: From pamphlets to the *taz* (left/alternative newspaper) to Springer’s *Morgenpost* agreement prevailed: the Ossi’s (East Germans) had to be taught democracy. The *taz* even went so far as to demand BGS (Federal Border Police), barbed wire and stricter laws for the Ossi’s.

On 29th September a convoy of some 1,000 people set off from Berlin for an “anti-racist demo” in Hoyerswerda. After gathering on a car park outside the town, the demo proceeded towards the new town: an incredible mixture of 60’s style rabbit-hutches - one slab of concrete after another, visibly beginning to disintegrate - built for the working class in the period of ‘real socialism’. There were the standard slogans “Nazis out, foreigners in” (not being able to think of anything better we decided to stay quiet), there were those who with foaming mouths planted themselves in front of the blocks of flats, pointing up at the people on the balconies and shouting “You should be ashamed!”, “Anyone who remains silent agrees!”, “Nazis out!”. Such clear expressions of one’s political standpoint were followed by deeds: cars were attacked and stones thrown at private residences.

Then the cops formed a thin line in front of the (deserted) refugee hostel and wouldn’t let us go any further. As a result demonstrators began to break up concrete slabs and to prepare to charge through the police line - only to be immediately surrounded by others wanting to stop them. The masked demonstrators answered with “autonomous reformists!”, punches and hitting people on the head with batons. Finally, the demo leaders decided to turn back. We could no longer stand it in the demo with the moralistic, anti-fascist slogans, its inner confusion and the aggression directed at each and everyone there, and five of us set off for “enemy territory”. During our walk through the town we ran into people who were, almost without exception, horrified about the attacks on foreigners - but who did not see any way of intervening personally or standing up and stating clearly that what was happening was shit. One young woman said: all the older people think like my mother, that what the fascists did was good. In the future it will be embarrassing if someone asks you where you come from.

When we returned to the demo it had been standing in front of a second police cordon of the BGS. Negotiations were conducted for about two hours. This time outside pressure had



ignited bloody disputes within the demo. Meanwhile its character had also begun to change: an increasing number of young people from Hoyerswerda began to join the demonstration, making announcements over the loudspeaker. An old man standing on a balcony waved his red flag and lowered drinks, others distributed sandwiches among the demonstrators ... As it was already beginning to get dark, we were finally given permission - with vicars leading the way - to start demonstrating. When we set off there were about a thousand of us and probably about a thousand came out and joined in; by the end of the demo there were about three thousand of us - i.e. several hundred people from Hoyerswerda had joined (in front of the demo, behind the demo, most of them alongside it, but quiet a few of the courageous people joined in).

The demo came to an end at the workers’ hostel where 21 people from Mozambique were still staying. They were in the two top floors (around the 11th and 12th) and hung white sheets out of the windows. Now the emotional climax was reached: “We’ve got a song for you.” And then it was played through the loudspeakers at full power: “Deutschland verrecke!”. (Go to hell Germany). This is when most of the demonstrators with black masks discovered the child inside them, their knees went weak and they began to dance and shout for joy. International solidarity had been re-established, the demo was a complete success - at least for all those who thought that they would be running into 60,000 fascists and now saw that this was not the case! For everyone else a number of questions remain open:

1 WITH THE NEW LAW ON FOREIGNERS, with the fascist groups bawling their heads off at the Polish border, with the systematic attacks on hostels for foreigners, and not least with African workers and asylum applicants being driven out of Hoyerswerda together with the gestures by politicians and the police operations, the Federal German state is preparing a new sector of the labour market: the (illegal) exploitation of several million new immigrants. “Hoyerswerda” was the provisional climax of a state campaign against the immigrants coming here and the foreigners who live here.

This constellation is remarkably similar to that of 1986: industrialists in Germany are faced with the problem that immigration is now declining substantially (in the building industry, catering and agriculture there are bitter complaints about a “shortage of labour”) following the 1.1 million coming across from the East in 1988 and 1989. In analysis and strategy papers prepared for their own use, industrialists and their consultants assume that Germany will require several million new immigrants in the 90’s. For some months politicians have been stirring up the “refugee question” (although people applying for refugee status only constitute a minute proportion of immigrants). Germany needs more immigrant workers who should not, however, come here feeling selfconfident, but intimidated and as “tolerated” workers. The state is experimenting: huge waves of immigration have always led to explosions within the class, but have usually and rapidly also brought fresh wind into the class struggles (“Italian strikes” in the sixties, “Turkish strikes” at the beginning of the seventies, etc.) Whereas earlier state measures aimed at “integrating guest workers”, they are now directed towards “making

immigration precarious”: work permits for persons applying for refugee status, eroding the laws on political asylum, the new Law on Foreigners, the toleration of fascist groups, the media campaign over the “issue of political asylum” (racist conditioning of the indigenous working class), the sudden outcry in the media over attacks on “foreigners” (with the desired imitations). These are all aspects of a state strategy which is intended to prepare the ground for the immigrants arriving in the next few years.

**2** THIS CAMPAIGN is also directed against the entire working class and, in particular, against the threat of struggles in the former DDR. The many attacks on hostels for foreigners over the past few years were generally published as short reports on the “colour page” of the newspapers. In the week in which the press suddenly took a fancy to publish these attacks on the first page, a few thousand workers at the Tridelta Werke (an electronics company) occupied the Hermsdorfer motorway intersection a few miles away, shutting it down for the entire Friday afternoon. They had discovered that Tridelta was to be shut down. This kind of struggle was unprecedented in the history of Germany (at best there had been the one-minute motorway occupation under the strictest control of the unions following prior consultation with the police) and it was not to be allowed to spread under any circumstances. (1) For in the coming months, hundreds of thousands of dismissals are impending in the south of the ex-DDR. And in the Hoyerswerda area two events are taking place almost simultaneously, as in the rest of the ex-DDR: Firstly, two days after the demo took place the rents were increased five- and even six-fold. Secondly, at the end of the year the short-time working regulation will be cease to apply: almost all the 60,000 workers in Hoyerswerda work in the open-pit brown coal mines and in coal processing, which are to be reduced in size at the end of this year. Unemployment will be sent soaring. What will happen if the workers revolt? What will happen if they discover their power in the conglomeration of Hoyerswerda?

The working class in the ex-DDR has not ceased struggling and putting up resistance since the DDR was driven to collapse. By stirring up “hatred of foreigners” two things have been achieved: the people have been given a scapegoat - within reach - for their own impoverished situation, and at the same time all Ossi’s have been branded potential racists in order to intimidate them and to keep a lid on the impending class struggles.

**3** HATRED OF FOREIGNERS GROWS FROM BELOW. There are countless isolated reactions (in the family, in the “German” housing estate, groups of different nationalities in the factories, during leisure time, etc.) to the uncertainty and, in some cases, aggravation of material conditions by the 1.1 million “immigrants from the east”, to the stagnation in class struggles in the old federal German state, to the widespread social rejection and mobilisation experienced through “reunification”, to the traumatic events taking place at the level of “foreign policy” (the Gulf War, the civil war in Yugoslavia ...). There is widespread fear of the future (ecological, with

the war, with mass unemployment or for whatever reason). There is growing aggression and an increasing tendency to make “too many foreigners” responsible for one’s own problems and even more so for fears projected into the future.

People are becoming more aggressive. And, in general, the situation is reminiscent of the sixties and the defamation of the “Itacker” (a pejorative term for Italians) as being lazy, depressing wages, chasing the German women etc. ... Two things are different: today there are far more movements, but there is far less of the spirit of upheaval and revolt than in the sixties. This has made it very easy for the state so far to exploit these tendencies in the class for its own use.

**4** THERE IS NO LEFT MOVEMENT IN THE WORLD WHICH CARES SO LITTLE ABOUT THE “PROLETARIAN WORLD” and yet is so ready to put the blame on “racism, fascism, sexism, Teutomania” etc. etc. when problems arise. These slogans have one prime goal: to keep the social reality at bay and to confront them on a moral level only.

The mobilisation which followed Hoyerswerda took place under the banner of moral outrage: “You make us sick and now we’re gonna show you!” Some anti-fascists saw it as a “punitive expedition” and let themselves go accordingly. They still maintain after the event that “90 or 99%” of the inhabitants of Hoyerswerda are fascists.

Nobody took the trouble to see whether there were real problems between the “foreigners” and the “Hoyerswerda locals” (all of whom are “newcomers”), or how people have dealt with the situation up to know. These are problems which exist in any (alternative/leftist) scene pub and in every squat in which German comrades and foreigner workers try to live together. For example, there have also been fights with Africans in the Kreuzberg scene pubs because they tried to get off with the women; there were also fights at the demo between “Germans” and “foreigners”. Is it only an accident when it happens “in our circles”? Racism when it takes place among workers?? Something that has to be kept hushed up when it happens among refugees???

**5** “HOYERSWERDA” FF. WAS AND IS BEING USED BY THE POLITICAL CLASS (FROM THE NEO-FASCIST REPUBLICANS TO THE GREENS) FOR THEIR OWN USE. The state created a fait accompli when it deliberately rushed the “endangered foreigners” away in buses: an invitation to Nazis and their drunken mates to continue. It succeeded far better as a state spectacle directed against new immigrants than the brutal expulsion of Albanian refugees from Italy - in that case the state was visible, in Germany the “mood of the people” is presented as something which the state can hide behind or oppose.

This campaign is better and prepared for a longer time than the “Flutkampagne” - denouncing the flood of refugees, especially via East Berlin - of 1986 (at that time the state campaign tended to produce solidarity). That also led to a considerable dissolution of solidarity among institutional groups and the liberal left. Today almost everyone, from left to right, from

green to brown, church to "pro asyl", Turk to Ossi agrees on two points: Firstly we haven't got anything against foreigners. Secondly, the boat is full. The only ones who aren't in this front are the industrialists. The *Wirtschaftswoche* (similar to *The Economist*) carried the headline "There is still room in the boat", adding quite bluntly that the whole dispute was mere "electioneering". The CDU (Christian Democrats) was trying to gain votes with the "asylum question". The social democratic leader Lafontaine, who for years has counted among the most savage demagogues opposing applicants for asylum and immigrants from the east, made an effective media pose standing on the market square at Hoyerswerda. The *taz* as mentioned demanded border police and barbed wire against the "Ossi's", who weren't yet ripe for democracy. The German left more or less "nationalised" itself (from the greens to the autonomous social workers). At best they envisage "politics from below" as street work. Their practice confirms the fascist view of the world: oppose the left and their state ...

**6 THE WEST GERMAN STATE USES THE FASCISTS.** The German state cannot cover the "new Federal Länder" as extensively as it would like to and in a manner to which we Wessi's are accustomed. There is little police presence, social workers are scarce, etc. But this state is in the process of coming out of its position of weakness. Southern Italy is an example of the way in which weak state presence need not mean anarchy at all: there the mafia assumed the functions of the state. Hoyerswerda demonstrates that this state can use a dozen fascists in order to show all foreigners, with the help of the media (including the "left") that this time the wind of change is blowing: that is why those who fled from Hoyerswerda will continue to be given bad treatment in an exemplary fashion (through being torn apart, not legalised, etc).

Yet the power of the state really is too weak in the area which was formerly the DDR: not only against the hooligans, but it hasn't had any means so far of proceeding, for example, against motorway occupations, strikes, etc. A few fascists are certainly not enough to make up for this. On the other hand, an excuse was needed: one cannot openly send in troops trained in putting down civil disobedience just one year after reunification. The excuse for moving in the border police is now there (the *taz* has reasons to celebrate!).

Triggered off by the politicians and the media, there were systematic attacks on hostels for foreigners throughout Germany. For the first time the fascists had a broad public impact. Hundreds of right-wing drinking pals finally felt called upon to act. Nor can the observation of a LKA (state criminal investigation department) cop be dismissed out of hand, i.e. that some of the attacks were "in their precision untypical of the far right scene", and untypical was also the fact that there were not any letters claiming to have been responsible ... What was the story behind "Gladio"? (See *Wildcat* 53 p 16, c.f. also the use of fascists by the state in other NATO countries, e.g. Italy.)

**7 THE WEST GERMAN STATE USES THE ANTI-FASCISTS.** Political anti-fascism as a revolutionary strategy is finished. It is no longer able to do anything which cannot be functionalised by either

the state or the Nazi squads. It has no political substance: when organised anti-fascists announce that the situation now is the same as in 1933 they only make fools of themselves. They have no moral substance: the hardest fights and the largest number of casualties came about as a result of demonstrators attacking one another at Hoyerswerda. The functioning of young kids who see to it that the heat really gets turned on at demos is now rebounding. Political anti-fascism is now only a recruiting ground for hierarchically structured, political organisations - and, of course, continues to be a field of activity for militant big shots. However, this should by no means distort our view of the many new people who are simply sick of the way in which foreigners are being treated here, and who want to do something about it. As long as we have nothing better to suggest and to practice, they will first politicise themselves through the anti-fascist groups ...

**8 LET'S TURN "HOYERSWERDA" ON ITS HEAD.** The demonstration in Hoyerswerda was a concentrated experience which could happen anywhere in this society: decisive action can rapidly become a crystallisation point, since the atmosphere has become highly politicised everywhere.

\* In a Berlin factory, with an almost exclusively Turkish workforce, the mass employment of Vietnamese, then of immigrants from the east and finally of Ossi's, completely undermined the combatitiveness of the collectivity. Following the Gulf War huge splits appeared among the workforce: playing cards, eating, talking with one another in the breaks - all these things were done almost exclusively according to nationality. The press reports about Hoyerswerda did a lot to break this down and set things in motion: the Turks first started to discuss it among themselves, asking how they could deal with the situation (It is important to know that they started to conquer the surrounding area this summer together with their families: you can now buy döner kebabs at all weekly markets within a radius of 50 km., as well as Turkish clothes etc.) Then there was a lot of aggression directed primarily against Ossi's with short hair: "Hey, are you also a fascist?" and so on. Over the next few days this behaviour was stepped up by the Turkish and Vietnamese workers and directed against all German supervisors. After a while they no longer dared go near the assembly lines because they were greeted everywhere with cries of "Heil Hitler!" and so on. The day the state expelled the foreigners from Hoyerswerda the supervisors felt compelled to issue a formal declaration that they were not Nazis, had nothing against foreigners and that they regretted the incident. In this heated and highly politicised situation the Ossi's and the Turks did at least start to talk to one another. Yet a week later the discussion subsided: the debate in the Bundestag on the current situation and the newspaper reports were generally understood as an all-clear signal, the German state would protect people because it still wants to have foreigners working here.

\* People in Berlin occupied a house in Königs Wusterhausen, the stronghold of the regional fascist scene. When they moved in they first had to paint over the Nazi slogans inside the house. They are trying out a mixture of living, making music, doing cultural projects, creating a meeting place for youths and space for everyone. They have had trouble with the Nazis

and things have been demolished, mollies thrown, cars wrecked in front of the house, etc. At the annual "beach party", which has been violently disrupted by Nazis for the past three years, it comes to the (prepared) show-down: 40 fascists with baseball bats are driven off by 20 people, one fascist is left lying on the ground with a cracked skull. The next evening a group of people are shot at from a big BMW passing by, someone is hit in the upper arm. But these are acts of desperation by the fascists. Anti-fascist activities follow, scaring the young Nazis to such an extent that they leave their outfits at home and stop running around in Königs Wusterhausen and call a "peace conference". But, above all, the people in the squat have succeeded in rapidly establishing good contact with their neighbours and they write: "The Ossi's are provincial somehow, you notice that because they are so damned human. Thank God we are immune to that because we walk around in a suit of armour full of prejudices which we would call racism elsewhere." The (autonomous) left, with its (superficial) morality distorts analysis of any social reality. The real phenomenon, i.e. that the class is directing its hatred against itself in some cases, is only dealt with as fear (mixed up with the fear of their own decline). Shouting their own fears into the society: "Foreigners, don't go to the DDR!", "Girls, don't go on the streets!", "Tomorrow it will be your turn!" are no substitute for revolutionary politics. Instead of withdrawing and isolating ourselves in line with the general trend we must intervene! Not as a punitive expedition of people with a superior morality, but in confronting the situation day by day. That presumes that we learn to distinguish between real problems and fascist slogans.....

(1) Note by *Echanges*:

This event is mentioned in another *Wildcat* document as follows: "Whilst everyone is looking at Hoyerswerda, workers of the rationalised factory Tridelta near Gera occupied a central motorway intersection for hours - which had not happened in Germany before."

We are puzzled by the remark of *Wildcat* about such an action being "unprecedented in the history of Germany". For example, if we look at the struggle of the Rheinhausen steel workers against closures and redundancies, especially from December 1987 onwards, their had a number of autonomous initiatives and actions which to some extent and in some periods must be said to have been outside the normal union perspectives and actions - including blocking streets, important bridges over the Rhine and the autobahn, as well as a number of other actions.

## GREECE

### STRUGGLES, PROTESTS etc. SPRING 91

In the previous issue of *Echanges* we published a chronology of school and colleges occupations at the beginning of '91, reproduced from the newsletter *A-Infos from Greece*, and said that we would use more material from this newsletter. The only thing we have seen in English was the next issue (no. 4/5) of the newsletter covering Spring '91 with brief notes about various struggles, protests etc. So even if this is not recent material, we reproduce it below as a follow-up to material already used by us. *Echanges* no. 68/69 (p.4) contains some information about the publications in various languages of this network, and we know that the French one is published regularly. It should be noted that the contents of these

newsletters is influenced by two things: On the one hand the very understandable fact that given the repression these political tendencies often encounter, it's very much focus on the situation of individuals and groups as far as imprisonment, harassment etc. is concerned. On the one other hand, irrespective of this a tendency in many libertarian circles to focus on individual or small-group actions and initiatives, i.e. on the activities and concerns of their own political spectrum and politically 'conscious' people, often at the expense of providing information about broader movements and actions, for example strike movements. An example of what we're thinking about is given in the text below on March 7 where it's mentioned that some coaches used to break a strike were the target of a bomb. But what about the strike itself? We anyway find the newsletter interesting with information we might not come across elsewhere, but we publish only extracts of it covering less than half of the total contents.

**Feb.** Army ammunition is decided to be stored in the area among the villages Petsalio, Protopapas and Gavrisia near Ioannina. The operation is financed by NATO and according to official sources the ammo is conventional. The residents however fear the eventual store of nuclear weapons near their residences and have already started to mobilise against the building of the installations.

Bar owners in the Exarchia square region of Athens (considered to be the 'anarchist' neighbourhood of the city) were ordered by the police to sell their businesses out, because their licenses are to be cancelled. The essential, hidden behind this story, is the profit the owners of the area are expecting through a gentrification of it.

**Feb. 26** Two soldiers, Yanis Hartmatzidis and Yanis Vardakis, committed suicide. Suicides are common amongst conscripts and it is generally believed that bad service conditions are to be blamed.

82 prisoners, sentenced for use of drugs, have refused prison food in protest against their planned transfer to other prisons in spite of their having begun to attend a detoxification program in the prison of Diavata near Thessaloniki. The next day all the transfers were cancelled.

**March** The government decided to hand over the management of the state-owned 'Greek Air Industry' (military) to the US-based Lockheed company.

75 workers are fired by the Italian-owned Pirelli tyres industry in Patra.

**March 1** Workers of the 'Western Greece Paper Mills' have blocked for 7 hours the entrances to the prefecture of Achaia and the Korinthou street in Patras to protest the privatisation of the state-run enterprise.

**March 4** Sofia Rentoumi, mother of 6 children, started a hungerstrike outside the offices of the 'Patriotic Foundation/Center for the Civilian Handicapped' protesting the dismissal from her job due to her syndicalist activities.

**March 7** 4 tourist coaches which had been used to break the public sector strike in Athens were the target of bombs. Responsibility of the action was claimed by the 'November 17' (17N) armed group.

**March 11** A black day for workers at ship repairs. Two workers dies due to work accidents; Y. Bouzas (working on the SILVER CLOUD) and D. Pahys (working on the HELENA cargo ship). Three more were seriously injured at another accident. All three accidents happened in the Perama ship repairing facilities near Pireas. The ship repairers' union accuses the contractors of having neglected all safety measures and of being insensitive to the loss of human life.

**March 12** Sofia Rentoumi, being on hungerstrike since, March 4, was transferred to a hospital and had to quit the hungerstrike after her health was seriously damaged to a bad former state.

**March 14** A new law bill is presented to parliament, with the pompous title 'Protection of a person during the elaboration of electronically gathered information', which will allow the passing of another law creating a national computer archive where every Greek over 12 years will be registered with information about sex, age, place of birth etc. and will allow access to all information on a person stored in different electronic archives held by various state sectors like police, army, taxation, secret services, health etc. Mobilisations against the laws have started.

**March 18** Members of the ship repairers' union said during a radio interview that foreign workers are to be blamed for their low wages.

**March 29** Two school boys, Vasilis Gounaris and Fotis Makris, are sentenced to 13 months and 2 1/2 years for their participation to the January manifestations. (cf. *Echanges* 70/71) The children appealed the sentences and they are free until the appeal court.

**April** 13 syndicalists working at the 'Patriotic Foundation/Centre for the Civilian Handicapped' are decided

to be transferred to remote PF/CCH offices far away from Athens in an effort of the new conservative administration to neutralise the workers' union.

It appears in the national press that many Polish and Pakistani illegal immigrant workers are employed by landowners in many areas of Greece, where the expanded use of insect- and herbicides endanger their lives.

The government asked the Greek railroad administration to exercise pressure on the Patra trade unionists to stop blocking the rails. The workers of many factories of the region which are to be privatised daily block the railroad leading from Patra to Pyrgos (in the Peloponnese).

A wave of prosecutions of school children who took part in the January school occupations has bursted out. Dozens of school boys and girls are daily taken by the police to 'testify' and a little bit later to find themselves accused of various offences.

**April 12** 18 workers are seriously injured due to an accident as they were repairing a ship at the Salamina (near Pireas) shipyard.

More than 1000 workers at the ELINDA company in the Athens area occupied the company's installations protesting the closing of the enterprise which was decided the day before.

**April 14** 18 workers of the textile company 'Thelxi' are sentenced to fines for their protests against a set-up 'bankruptcy' of the company in 1989 and the subsequent stop of payments.

More than 4500 residents of the Avlona region (60 km north of Athens) blocked for several hours a national road protesting the garbage deposition in the area decided by the state.

**April 17** 300 workers of the 'Western Greece Papermills' occupied their factory in Patra and started a hungerstrike protesting the governmental plan to close down the company firing all workers and then sell it to a British firm.

**April 23** After the revolt of the school children and higher education students in January, which cost the lives of five people, the new minister of education decided to start a 'dialogue' with all concerned on a 'national' level. For this purpose he distributed specially prepared 'questionnaires' to university professors, school teachers and school children asking them to fill in and return to the ministry. The teachers were the first to denounce this 'dialogue' as a trap and on April 23 they burned the questionnaires in public in front of the ministry.

The administration of the Organisations of Railroads of Greece issued a circular which denies the workers of the ORG the right to make any statements or comments to the public concerning the ORG.

## UK

**Aufheben** (c/o Unemployed Centre, Prior House, Tilbury Place, Brighton, East Sussex) No.1/Autumn 92 This new UK journal, with the subtitle 'Revolutionary Perspectives', is given a name from the German which has no direct English equivalent; it could mean both something 'negative' (abolish, cancel) or 'positive' (supercede, transcend). Referring to Hegel's use of the double meaning of this word, the publishers write that "The proletariats revolutionary negation of capitalism, communism, is an instance of this positive-negative movement of supersession, as is its theoretical realisation in Marx's method of critique". Although a critique or proper review of the journal can't be done on this occasion, readers of *Echanges* can get an impression of our different approach and emphasis from what we have quoted below, as well as from the following statement in this issue's editorial: "Capitalism creates its own negation in the proletariat, but the success of the proletariat in abolishing itself and capital requires theory". The first issue contains material on: The rebellion in Los Angeles - EMUs in the class war - Lessons from the struggle against the Gulf war - Critical notes on the 'green' group Earth First! - Review of J.Barrot's 'Fascism/Antifascism'. Subscription for 5 issues is £5 UK, £6,50 Europe and £8 elsewhere - cheques payable to Aufheben.

**Solidarity** (123 Lathom Rd., London E6 2EA) No.30-31/Spring 92: 'On Liberty's Birthday'. A special issue to celebrate the 200th anniversary of the libertarian enlightenment - and four of its most prominent figures: Thomas Paine, Mary Wollstonecraft, William Goodwin and William Blake. Review of two books: P.Marshall's *William Blake, Visionary Anarchist* (Freedom Press) and K. Raine's *Colgonoza, City of Imagination - Last studies in William Blake*.

### **Solidarity economic appeal**

Further issues of Solidarity has not appeared for a long time, due to financial problems. The group has circulated a "straight-forward urgent appeal" for economic support. Cheques (payable to Solidarity) for as much as you can spare can be sent to: Solidarity, 123 Lathom Road, East Ham, London E6 2EA.

### **The British left**

We also use this opportunity to quote from a letter from a Solidarity member to a participant in *Echanges*, maybe indicating a subject which might be dealt with if the journal survives:

"My own thoughts have been turning towards writing something dealing with true bankruptcy of the 'left'. It is not just the brutal statism of Eastern Europe et al, but a whole ideology from town planning, social work, education, aesthetics; they are not even reformists.

For example in the UK the late 70s/80s saw a massive - to use Rudi Dutsche's phrase - 'long march through the institutions' in particular into the Labour Party and the control of many local authorities; one moment vicarious urban guerilla becomes head of a committee. One thing that has puzzled many is the close correlation between 'left' councils and the most massive corruption. It's an area that needs looking at."

## Surinam bauxite strike ends

By Canuê James in Kingston

BAUXITE MINERS in Surinam have returned to work after a two-week strike. About 2,000 miners were demanding 100 per cent wage increases to keep pace with inflation, but settled for a rise of 40 per cent.

There is still a threat of industrial action as the work-

ers are seeking payment for the days they were on strike.

The industry, based on a 1.6m tonnes-a-year refinery and a 30,000 t/y smelter, accounts for about 70 per cent of the South American republic's foreign earnings. It is owned by the Aluminum Company of America and Billiton, a subsidiary of Royal Dutch/Shell.



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