

## WORKERS' CONTROL AND INDUSTRIAL DEMOCRACY: THE ITALIAN CASE

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### INTRODUCTION

The subject of workers' control and industrial democracy which is currently at the centre of an extensive debate in our country — particularly within the trade union movement — shows notable historical precedents. In fact, the problem of control and participation in company management has already been tackled and developed, at least in some of its aspects, twice in the history of our country. The first time during the great movement of worker occupation of factories in September 1920, the second time immediately after the Second World War, when an attempt was made to institutionalize the workers' councils ("*consigli di gestione*") which were set up in factories during the Resistance.

In 1920, the Italian Worker Movement formulated, for the first time, the principle of company control by the trade unions. At the height of the factory occupations, the central committee ("*consiglio direttivo*") of CGIL decided that the "objective of the conflict would be recognition, by the employers, of the principle of company control by the trade unions, meaning by this, the opening of the way to those greater conquests which must inevitably lead to collective management and socialization, in order to systematically resolve the problems of production."<sup>1)</sup>

However, the significance and the aims of the experience of the workers' councils were different. Morandi's bill of December 1946 was the first attempt in Italy to achieve the principle of "workers' participation" in company management. The institutional aims of the workers' councils were set out in Article 1 of the bill:

- a) to make workers participate in the general objectives of the company;
- b) to contribute to the technical and organizational improvement of the company, also for the improvement of the kinds and types of work, and to contribute to the improvement of the moral life and security of the worker;

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<sup>1)</sup> In: P. Spriano, *L'occupazione delle fabbriche*, Einaudi, Torino, 1974, p. 107.

c) to create, in companies, suitable means which allow the workers to participate in the industrial reconstruction and the preparation of industrial programming and planning which would be adopted by the competent organs of state, and to make execution effective and workable.<sup>2)</sup> The tasks of the workers' councils were divided into company and public, the function of the former consisted of consultancy within the company, whilst the function of the latter consisted of a general control.

Our having remembered these two historical precedents, even only if concisely and schematically, does not only respond to a basic need for documentation and historical setting of the current phase of the debate on the subject of workers' control, participation and industrial democracy in Italy. In fact, the two instances mentioned contain the basic elements which still distinguish not only the methodological and ideological aspects of the current debate, but also, and above all, characterize the contents of the struggle and the very strategy which has actually been carried out in the last few years by the organized workers' movement.

However, before analyzing the terms and the different positions which have recently come to light in our country on these subjects, it is necessary to make clear the fundamental reasons which have rendered such a debate one of political actuality as well as making it extremely interesting. The fundamental factors which have determined the re-opening in Italy of the problem of workers' control and industrial democracy or, if one wishes to use a different terminology, of economic democracy, both on the theoretical discussion level and on the level of claims put forward by the trade union, stem from two basic processes: on the one side, the progressive deterioration of the economic crisis in our country and, on the other, the new forms of labour union organization and strategy which have developed from the great struggle and the great 1969 movement for contract renewals.

"In fact, the experience of the Italian trade union movement on the subject of participation underwent a radical change with the struggles of 1969. First of all, the relationships between trade unions and rank-and-file workers change. In the factories, through an extensive democratizing process, the 'delegates of the homogeneous groups', representing all the workers of the company were born, without regard for trade union membership, in fact involving even those workers who do not formally belong to a central trade union. Not only were internal commissions ("commissioni interne"), whose duty was to keep watch on how the work contracts were applied, surpassed in one go, but also the different company trade union structures, whose duty was mainly one of organization and propaganda, are surpassed. The delegates, who together form the workers' councils ("consiglio di fabbrica"), are organs of worker initiative which, first of all, achieve a thorough control of the organization of work and of the company policy, through exact negotiations which go beyond the existing work contracts.

By forming these basic structures — which express the unity of the workers and their capacity for progressing and achieving alternatives to employers' policies in order to obtain better working conditions, by

<sup>2)</sup> Disegno di legge Morandi sui "Consigli di gestione", 1946.

attacking the pace of work, the organs, the environment and professional degradation which distinguishes the increasing exploitation achieved at the same time as the introduction of more advanced productive technology — the trade unions are able to win a new position of strength in the face of the same employers, whilst on a higher level the trade unions qualify their autonomy. It is from this position that the trade union movement can advance to win new rights for workers and the protection of trade union liberty, with a supporting legislation which is, without doubt, the most advanced in capitalist countries, in Europe and in the rest of the world.

But the true originality of the Italian trade union movement lies not only in this type of industrial democracy which distinguishes work relationships after 1969, so much so as the indissoluble connection which is established between the objectives of industrial democracy on the company level and the objectives of economic democracy on the social level.<sup>3)</sup>

This page of Mario Didò allows us to grasp the essential aspects which have marked the recent evolution of the new strategy of the trade unions in Italy and the original characteristics of the so called "Italian way" to industrial democracy.

## 2. TRADE UNIONS' ATTITUDES TOWARDS WORKERS' CONTROL

In fact, the originality of the Italian experience, connected to the refusal of such forms of participation as that of having worker representatives in decision-making organs (*Mitbestimmung*), or that of alternative self-management, is the fundamental fact on which converge the analysis and opinions of all those who have intervened in the debate, promoted and published in the last few years by the magazine "Mondo Operaio" and which constitutes the collection of works which are most systematic and representative of the trends carefully prepared by the left and the Italian labour movement on these subjects.

Gino Giugni concludes the first phase of this debate — which he himself stimulated with a short introductory essay, underlining and confirming once again this fundamental aspect.

"The debate on the 'Italian way to industrial democracy' has provided, in substance, a confirmation of the theory which I tried to formulate in the introductory essay. The theory which is confirmed is the theory for which the Italian trade union movement has already made a fundamental choice around the model of industrial democracy, and this choice is not that of worker participation in company management, in the traditional sense, of the participation which is realized through presence in company organs.

Moreover, it is confirmed that the refusal of participation does not signify adherence to a model of conflict of a type which is merely a conflict of claims, a model of conflict which is typical, for example, of the

<sup>3)</sup> M. Didò, *La via contrattuale alla partecipazione*, in Quaderni di Mondo Operaio: "Democrazia industriale e sindacato in Italia — No. 5", Ed. Avanti!, Roma, 1977, p. 57

North American trade unions (fiercely against any form of contamination with management responsibilities), and in which the trade union role is exclusively defined in a move towards the widest possible achievement of advantages for its members. What has emerged in this debate with notable syntony, in nearly all interventions, is that the Italian way to industrial democracy is distinguished as an attempt to connect a strategy of conflict on the company level, with a participation in decisions which either come from the company but are developed on all possible decision-making levels, or are qualified in the company but because of valuations which largely exceed the sphere of the company itself.

I underline once more the notable significance that, from this aspect, the recent company disputes centred around the subject of investments have had. In this period of trade union politics, what Federico Mancini, in his intervention, so correctly defined as temporary substitution by the trade unions of the general programme ("supplenza sindacale del piano") has also been effectively carried out".<sup>4)</sup>

On the other hand, the correctness of such an interpretation, both of the behaviour and the objectives set by the trade union movement on this subject, is confirmed by the "Issues for the Congress Debate" prepared by the CGIL for the 9th National Congress which was held in June 1976 and of which it is worthwhile to remember the most important paragraphs. "Forms of economic democracy.

The extension and development of democratic life, the wide participation of citizens in institutional life and political control, solicit a general process of economic democracy both for its concern with structures and means of intervention and its concern for economic programming. The CGIL postulates an advanced form of democracy in industrial and agricultural and tertiary companies, understood as a recognized and facilitated possibility of influence and control on the structure and behaviour of the company. A vast subject of political and social importance which has emerged in the concrete experience of the last years: from the company struggles for a different organization of work, for employment and for the work environment to the conquest of new powers of control and information in the more recent national contracts for the categories...

In the specific conditions of our reality, the CGIL does not pose to itself the aim of institutionalizing the presence of the trade union in company management, but wants to render more solid and certain the rights of information and control sanctioned by collective contracts, and it wants to find forms of social control of the national economic planning, of the working of general and sector planning instrumentalities, and of the state interventions in favour of industrial sectors, regions and companies.

On this line of democratizing of the economy, theories of legislative support are proposed, systems of definite contractual procedures or reliance on the mere conflictual relationship, theories which must all be assessed by the congress.

Moreover — in relation to procedures of reconversion — the commitment to realize an active policy of orientation of the labour market and

4) G. Giugni, *La via italiana non può chiudersi in se stessa*, ibidem, pag. 76

professional training, giving shape in this way to new areas of trade union intervention and participation, is stated. Their evolution and extension must increase the capacity of the trade union to contribute, in its autonomy, to the control for a correct development of productivity and production of resources and existing services and the increase of economic democracy".<sup>5)</sup>

The achievement of such a strategy in terms of trade union action and a policy of claims is developed along two different but strictly connected lines of intervention.

The former tends to strengthen the role and autonomy of the trade unions at the political level and its capability of affecting the political economic policy of the government.

"... the experience — writes Rinaldo Scheda — seems to indicate that the request for participation in government decision-making and therefore in the management of particular government activities in the public sector, is explicit and direct. In reality it is an experience which is still sporadic, made of alternating phases which are all empirical, relying on "case by case". Nevertheless, what has been achieved up to now in this field of relationships, for better or for worse, already allows for some conclusions.

The agreements between the trade unions and the government obtained through negotiations between different parties is a fact of increasing participation, of an enriching of democracy, without it touching in any way the sovereignty and the deciding power of the elected assemblies.

In substance, even from this experience of relationships between government and trade unions, there emerges a need for participation in decision-making (*Mitbestimmung*) for the trade unions or for the workers, but which in fact becomes an experience of democratic control".<sup>6)</sup>

Moreover, there are some, as Giugni, who believe that the movement towards the left of the Italian political scene has been so significant as to legitimize and justify the following theories: "In the Italian context, the new forms of industrial democracy must qualify a role of initiative on the part of the working class in the management of the productive process, with respect to a political framework which less and less appears definable as an expression of bourgeois interests, but, which tends, instead, towards a consolidation of the power of popular allegiance on various levels and in various areas.

Provided that the political system is able to express choices which the working class can accept, for the latter there is a role of control over the congruency of the behaviour of the entrepreneur with respect to the objectives set in a political organ (=programming). Such control is not a movement from conflict towards collaboration, but can express itself in moments of conflict and struggle. The essential point is that it is recognized that the ground of conflict has changed with respect to that of the years of permanent conflict".<sup>7)</sup>

5) IX° Congresso Nazionale della C. G. I. L., "Temi per il dibattito congressuale", Roma, 1977.

6) R. Scheda, *Perché non ci interessa la partecipazione aziendale*, in op. cit., pp. 46-47.

7) G. Giugni e L. Cazagna, *Democrazia industriale: temi per un dibattito*, ibidem, p. 85

The other fundamental line along which the Italian trade union movement has moved in these years is expressed by the progressive extension of the negotiation area, and by the widening and consolidation of trade union control within the factories. The most significant stages of these processes are, on the one hand, the approval in Parliament of an ample and detailed law of protection and enhancement of trade union rights and freedom — the so-called supporting legislation — achieved with the publication of the "Statuto dei Lavoratori", and on the other, the development of company level negotiation, which has led to the conquest of 'new rights of information' on the occasion of the recent renewals of collective contracts of the most important industrial categories (metallurgical and mechanical, chemical, textile).

"Thirty years after the experience of the workers' councils ("consigli di gestione"), in a completely different political and trade union context, the question of control by the workers of company management reposes itself under the form of claims presented by the trade union movement to the employers. After eight years of intense workers' struggles which have profoundly changed the order of industrial relations and power relationships within the company, progressively eroding the effective powers of the entrepreneur — one thinks of the development of company negotiation on the subject of the professional categories, of organization of work, of incentives, etc. After a few first attempts at company negotiation on the subject of investments and the defence of work levels, the trade unions of the more important productive sectors have presented themselves around the negotiation table for the renewal of national collective contracts with a series of requests which tended to attribute to national, provincial and company trade union organizations the right of information, joined assessment ("esame congiunto") or even negotiation on the policies of entrepreneurs on the subjects of company reconstruction and reconversion, productive decentralization, programmes and trends of production.

At the end of difficult negotiations, a consistent part of these claims were accepted by the employers' associations and became an integral part of national collective contracts for the categories.<sup>8)</sup> In both cases, however, the intervention and the action of the trade union movement tends to institute, or, to perfect means, which are more or less consolidated, of control of the economy and of the social and economic development of the country. Taking into account both the contents of the claims which have distinguished negotiation in these last years, as well as the programming and political indications prepared for and approved by recent congresses of the three trade unions, one can pick out at least two areas in which the trade unions intend to exert this function of worker control.

#### a) Control of investments

As already mentioned, even today the national collective employment contracts of the principle industrial categories recognize that the trade unions have the right to have exact information on investments carried

out by the company, information pronounced at the company, sector and territorial levels. Moreover, this important victory by the trade union movement allows it to intervene in the control of investment policy on a national scale. This is much more valid today in so much as at the very time in which the inadequacies, even technological, of the productive process are paid for, there is the objective risk of believing, or making believe, that this productivity of the system can take a respite by only checking the increase in the cost of labour, thus neglecting or undervaluing the 'structural' responsibility of the inadequacy or lack of investment.

Three very important aspects of economic policy must be connected to this indication of a general character. The first regards the so-called *industrial reconversion*, which necessarily must be transformed into a concrete plan, with its precise objectives and with the equally-precise indication relative to the ways and time of achievement. In this framework, the trade union contribution should reveal itself as fundamental, if it rests on the analytical knowledge of the reality of production, as it effectively prefigures a correct use of rights of information and if, above all, it is finalized to overcome existing sectorial or territorial imbalances. The second aspect regards, on the other hand, *the global concept of investment policy* in which are included even all those initiatives which tend towards the revitalization of the productive apparatus, even through interventions which can seem to have a negative character in the short term. With this the trade union movement intends to underline the need to undertake, at the same time as an investment plan, a policy of elimination of useless outdated and costly structures, or anyway, their radical modification.

All this obviously does not only regard industry, but prevalently covers in fact, the tertiary sector and is above all valid for public administration, which represents — as is known — one of the fundamental causes of the actual situation of trouble.

The third aspect, finally, regards the connection which must exist — according to the trade unions — between investment policy and industrial sectors policy in the framework of national economic planning. First of all, by this we mean the lines of expansion which the single productive sectors take, through precise policies which are based on the knowledge of existing productive structures, on the degree of integration existing between the single branches of production and on actual international conditions. But we also mean the necessity of carrying forward a coordinated policy aimed at aims of national development on the part of the public sector of the economy through all its participations. Above all, this type of coordination would be absolutely "not expensive", because it does not require specific financing directly or indirectly, but only the careful preparation and the carrying out of a policy capable of raising a series of questions: from the coordination of productive plans to the policy of buying and selling, from the interdependence of the sectors to a system of preferential taxes, from price fixing to the practice of credit, etc.

<sup>8)</sup> P. Ichino, *Diritto del lavoro per i lavoratori*, De Donato, 1977, vol. II, p. 285.

b) *Control of employment and the labour market*

On this subject we must, first of all, underline the fact that, always according to the Italian trade union movement, the problem of unemployment, an endemic problem of our country, must become the platform on which the political will, truly aimed at a renewal of the country, will be verified.

In order to resolve, in a class perspective, the actual contradiction existing between the employed, the unemployed and the underemployed, the trade unions intend preparing their own strategy, closely connected to the control of investments, aiming to reduce to a minimum the great evil of unemployment and underemployment. This would require a struggle, neither easy nor simple, against the numerous forms of *corporativismo* (parochial and clientelistic group interests) which have formed and extended after the war, and it is clear that the problem demands, even, on the part of the trade unions, the formulation of a precise economic policy, as well as a decisive trend and the knowledge that some forms of privileges must cease in the labour market.

Together with this fundamental methodological position, trade unions intend to claim the effective realization of their own control of the labour market in which, today, often the very forms of protection are used instead for their specific ends by the employers. This implies the deepening of a series of aspects among which the most important are professional training, employment, apprenticeship, the problem of female and youth employment and the question of workers' mobility.

It is evident from the picture so far outlined that the model for the Italian way to industrial democracy, up to today, represents a project which is still in great part to be achieved, at least according to the intentions of the Italian trade union movement, more than a precise and definite conquest of the worker movement.

In fact, the legislative recognition of the protection and enhancement of trade union rights and freedom (Statuto dei Lavoratori) and the contractual recognition of rights of information constitute the only elements of actual achievement of the model. In this respect it is necessary to underline the fact that it is still not possible to evaluate the real effect and the actual significance of such an instrument, above all, in consideration of their very recent acquisition by the trade union councils and factory councils.

Moreover, the progressive participation of the left to the government can condition the Italian trade union movement, and change to some extent labour's attitudes toward the problem of industrial democracy.<sup>9)</sup>

### 3. ENTREPRENEURS' AND MANAGERS' ATTITUDES TOWARDS WORKERS' CONTROL

The discussion on the problems of participation, of trade union control, and industrial democracy have up till now, involved a minority, although qualified, of Italian entrepreneurs and managers. In the Italian Business

<sup>9)</sup> For an appraisal of PCI's attitude, see AA. VV. *Partecipazione e impresa*, Editori Riuniti, Roma, 1978.

Association (Confindustria) it has been above all a group of young managers which has taken an interest in the problem, carrying out detailed hearings and putting forward concrete proposals, even if Guido Carli has also repeatedly intervened in the problem. In managers' associations, the most active have been managers with catholic backgrounds and who are often connected with the Christian Democrat party who have discussed the problem in places like UCID (Association of Catholic Entrepreneurs and Managers) and IDE (European entrepreneurs and managers). An ever-increasing awareness of the problem is making headway due to the initiative of these organized minorities, both because of the stimulus exerted by the norms of recent contracts on the rights of information and trade union control.

The attitudes expressed by entrepreneurs and managers still appear, in many cases, contradictory and not clearly defined. From official documents and from speeches and declarations made by the entrepreneurs who were interviewed during a research on small and medium firms<sup>10)</sup> emerge, however, a few common traits which concern the fundamental reasons which have led entrepreneurs and managers to confront the problem, the ideological position which they have assumed, the principle areas of convergence and conflict with the trade union position.

The main problem is the re-establishment of profit margins which favour production recovery and which are compatible with the current organizational and ideological levels of the trade unions, which are determined to defend their gains on wages and standards. Entrepreneurs and managers substantially agree with the trade unions and with left wing parties on the necessity for a massive recovery of investments, or on the setting up of a new phase of intense accumulation able to employ unused resources and to expand income and employment, but they tend to attribute the main responsibility for the crisis to the high cost of labour and in particular to low productivity. Many entrepreneurs complain that production recovery is made difficult by absenteeism and by low work motivation on the part of most employees who now have relative job security (at least in medium to large companies) and that employees have little incentive because of the lack of traditional forms of individual incentive (contract on a piece-work basis, overtime etc.)

Beyond polemic exaggerations it is clear that such declarations have some truth in them. The struggles of the trade unions have in fact drastically reduced the repressive power of the employers as seen in factory and office regulations and in surveillance carried out by intermediary officers and these struggles have rendered more difficult the use of differentiated material incentives, capable of feeding individualism and competition amongst workers (these struggles, however, have touched only marginally the compulsive power inherent in the technology used and to the related organization of work).

In this situation, it is not, therefore, surprising that attitudes and proposals favourable to any type of participation, capable of motivating work, re-emerge.

Symbolic of this is Carli's declaration during a recent televised programme (Tribuna Sindacale): "I do not think that it can be maintained that

<sup>10)</sup> A. Martinelli et al., *Gli imprenditori e la crisi*, Il Mulino, Bologna, forthcoming.

the phenomenon of absenteeism is a phenomenon distinguishing capitalist society, but it is a phenomenon which distinguishes all societies when one does not introduce into them an element of repression. To eliminate this phenomenon without taking recourse to repression, implicates solving a problem which I believe no society up to now has ever solved, that is the problem of giving the citizen the feeling of being more directly participant in the management of the society in which he lives". Immediately after the Second World War, managers of FIAT acknowledged, before the Constituent Assembly Economic Commission, the positive influence which the workers' councils exerted on work relationships and company productivity, even if their position was one of a minority in Confindustria.

In an historical period as is the current one, in which trade unions are strong and the political power of the left has increased, entrepreneurs, at least the more far-sighted ones, are interested in developing forms of mediation and institutionalization of the industrial conflict without paying substantial compensations. It is up to the trade unions to give a different meaning to industrial democracy in order to overcome this attitude. If recovery of productivity through involvement in the working of the company and institutionalization of the conflict is the predominant reason for the renewed interest of the entrepreneurs in participation, there are also other reasons. The first is the need to answer the initiatives of trade unions on the subject of rights of information and control: many entrepreneurs and managers state that since negotiation has now invaded the prerogatives of the entrepreneurs, assumption of responsibility by trade unions and for some even the complete abandonment of conflict<sup>11</sup> is necessary as a corrective re-balancing. Others, however, see the progress towards company participation as an aspect of the general progress towards participation on all levels of social life (teacher — parent associations, borough councils, etc.). And others foresee the possibility of a weakening in the trade unions through the formation of centres of cooperative power, on a company level, and the ideological recovery of some workers to the ideology of individual gain. It is worthwhile to remember here that some companies have achieved their own particular form of "participation" through productive decentralization and in sub-contracting, transforming workers into autonomous skilled workers from whom they order a quota of production remunerated on the basis of the amount of work carried out (a revival of proto-capitalist systems which reminds one of the cottage-system).

The ideology which underlies the position of entrepreneurs on the subject of participation and industrial democracy oscillates between the ideology of collaboration and the ideology of contradictory interests, which are paralleled by the proposals for an institutionalized policy and for a contractual policy in industrial relations. The ideology of collaboration has very ancient roots (one need only think of the apologue of Menenio Agrippa) and it has received sophisticated formulation from American functionalist sociology and Catholic social doctrine. Very clear traces of it are found, for example, in Umberto Agnelli's speech at the IDE meeting of November 1975, in which he insists on the alternative between conflict and participation ("At this point the trade unions must choose whether they intend

11) *Prospecta, Democrazia industriale '80* Milano, 1976, p. 14.

exerting these powers by placing themselves in opposition or if they accept participation." And also, "participation, in order for it to be valid, must involve a contextual assumption of power and responsibility and a surmounting, even if only temporary and interlocutory, of the moment of conflict."

On the other hand, the April '76 document of Ravello of the Central Committee of Young Entrepreneurs and their subsequent study assume a more realistic attitude and a less-unbalanced view of the ideology of collaboration.<sup>12</sup> The Ravello document states, moreover, that amongst "fundamental values at the basis of a modern and functional concept of the company" there is the "development of industrial democracy through participation, in a pluralistic vision which privileges and guarantees autonomy of social sectors, in particular those of the entrepreneurs and of the trade unions, each of which is a carrier for its own values, essential for the development of a democratic society", and moreover, "the controposition of democracy and conflict is rejected recognizing, however, in the latter, if limited on a physiological level, an uneliminable fact of the reality of company relationships and, within certain limits and conditions, a positive fact for the development of such reality." (A statement in which, apart from the difficulty of determining the physiological level of the conflict, one ought to recognize a certain degree of realism).

It is interesting to note that the choice for participation of a contractual type is shared also by Confindustria as a whole, in its comment to the BEC proposals (the so called Green Paper) in which it states that the limits of negotiation cited in the Green Paper do not apply to Italian reality.

It is said that proposals coming from the entrepreneurs' sector on industrial democracy are lacking. The document of the young entrepreneurs constitutes a partial exception. It is worthwhile, therefore, remembering some aspects which could find wider agreement or achieve wider convergence. First of all, it is stated that current experiences in other countries are not easily exportable to Italy (with particular reference to the German co-determination *Mitbestimmung*) and on the contrary, the introduction, requested by the Italian trade unions of forms of participation on an informative level in all areas (of management) is approved. "The privileged role which is given to negotiation" is confirmed, and it is understood by the entrepreneurs" no more and not only as a moment of confrontation on the trade union platform, but also as a moment of decision making and discussion with the trade unions". The trade unions are then recognized as the subject of the control and participation of the workers in the company ("in the sphere of the productive process, the group confirms its availability for bringing forward new and more advanced moments of democracy on an informative, advisory or decision-making and sometimes self-management level, so long as everything is achieved within the framework of the trade union agreement"). It is true that, at another point, experimental forms meant to involve the workers in the operational management of the company, both through their normal representatives and directly are discussed. However, it is added that this must always happen with reference

12) Comitato centrale dei giovani imprenditori, *Il documento, di Ravello, aprile '76 e Nuove forme di relazioni industriali*, Confindustria, Roma, 1977.



to the competence of the trade unions and with their participation". Finally, a gradualness in experimentation through a series of phases and conditions which are a constant object of negotiations are put forward.

Beside the possible convergence there also exists, however, areas of conflict between entrepreneurs and trade unions on the subject of participation and industrial democracy which are just as evident. In general terms, it is clear that the former will try, in spite of their declarations, to make participation an instrument of worker co-optation, which reduces the autonomy of the trade unions and controls the social conflict, whilst the latter will try to limit the sphere of company autonomy and to consistently increase their own power of control. Such contrast only confirms the evident basic antagonism, beyond any possible partial convergence of objectives and procedures, between the interests of the working class and those of companies working in the capitalist market.

In more specific terms, the major contrasts will be in the area of decision which should form the object of negotiation with the trade unions and the existence, or otherwise, of an obligation of agreement between the parties to carry out decisions taken and the respective duties of the two contracting parties.<sup>13)</sup>

Before a natural need on the part of the workers and the trade unions to reserve a margin for manoeuvre by keeping the boundaries between the sphere of company power and that of the trade unions undefined and avoiding rigid rules, an equally natural need is manifested on the part of the entrepreneurs to define in a preliminary way the confines between the two spheres.

Many entrepreneurs and managers point out that company management calls for quick decisions in order to respond to market stimulus and to the initiatives of the competition, and that if they were to discuss all their decisions, companies would lose their competitiveness and would risk paralysis. It can be objected that these arguments do not distinguish between entrepreneurial strategic decisions and 'managerial' policy decisions. The final control on the former, which are the really important decisions, does not cause obstacles to the activity of ordinary management. The trade unions answer, moreover, that they do not intend discussing company strategy in its entirety, but only those decisions which influence employment levels and work conditions: still, it is true that these discussions will tend to involve subjects such as the investment programme, technological innovations, productive decentralization, sub-contracting, workers mobility, reduction of working hours, in one word, the whole company strategy. From this comes the effort of entrepreneurs to limit and rigidly define the areas in which trade union control can operate. Conflict and negotiation do not only regard the nature of the subjects to discuss, which clearly involves basic problems of company strategy, but they also regard the type of consultation. The trade unions do not seem to be asking for formal and binding agreements for the company management, but rather the setting up of a procedure of correct information and consultation in order to guarantee liberty of action and refute the equation between parti-

cipation and renouncement of conflict. The caution of the trade unions and their rigid contractual policy should, on the other hand, reduce the preoccupations of undergoing serious damage to their autonomy of decision on the part of the entrepreneurs.

The problem of participation, of control and of industrial democracy assumes different connotations for small companies. It is pointed out that large companies, because of their position in the market and their easy accessibility to credit, and because of their greater efficiency in organizational structures, can (or must) plan their activity with a certain autonomy, whilst small companies live more on a day-to-day basis, they do not have either the conditions or the means, in most cases, to carry out policies of medium-to-long term periods with which to confront the trade unions, and they fear that the rights of information and control signify a further tie and obstacle without any offset. It is added that the sense of partimonia property and identification with the company is much more widespread in small-to-medium companies. We must also remember that it is not infrequent to find cases of confusion of family property and of the financial endowment of the company and cases of systematic evasion of taxes, in which all possible outside control is evidently seen as a serious danger.

All these elements, both those legitimate and illegitimate, have fed the opposition of small companies to company control and have led to the decision to carry out control of investments for small and medium companies on a territorial level.

This solution is seen by many small entrepreneurs with scepticism, but it also leads to expectations of negotiated research of solutions to problems such as workers mobility, industrial change and territorial re-organization of industrial activities. It can therefore be an important place of local government agencies for the capacity of mediation and planning.

<sup>13)</sup> E. Cammuri, 'La via contrattuale alla democrazia industriale: Quale impresa, marzo '76.