



FIAT

The worsening situation in the motor industry is being felt in Italy too, chiefly at FIAT, which for some time now has been showing the characteristic signs of an incipient crisis of major proportions. The negative factors behind it, both internally and externally, are all too familiar, and relate in the final analysis to the present trends in the world market and the resulting conditions affecting the majority of European car producers. The possible way out of the present impasse as far as Italy's most prestigious label is concerned poses a special problem and a unique responsibility for the Italian government, trade unions and political forces alike. For FIAT is still very much relevant to the future development of the Italian economy, has a strong influence in actual production and investment trends not only in the Turin region (with its myriad of components' factories) but throughout the country, and remains an important reference point for experts' analysis and technical progress. In short, Turin's household name may no longer be the rising barometer of general expectations as in the boom era of a decade or so ago, but it provides as yet an accurate, although controversial picture of the triangular interaction between management's plans, trade unions' attitudes, and political proposals to stimulate public awareness of the issues involved and government's purposeful intervention in the wider context of planning with the aim of

strengthening this crucial sector of the economy.

Interests and opinions on the subject are sharply divided. A school of thought heavily influenced by management thinking tends to give currency to the view of the inevitable shrinking of the industry: after all, cars now account for something less than half within the overall range of activities of the FIAT group, which is relying on its more lucrative financial operations and eagerly responding to the inner logic of its multinational structure. This unresolved conflict in economic and social priorities is at the root of the debate which has lately been reopened with great urgency. Not surprisingly, the PCI was the one and only party in Italy which deliberately and systematically took the initiative in this respect, and once again put the question on the political agenda of the country at a recent conference in Turin attended by some 1,500 delegates from rank and files' branches, unions (the socialist-communist CGIL, the social democratic UIL, the catholic CISL), and several other organisations. If investments and productivity were the two main themes under discussion, to which speaker after speaker returned in a wide spectrum of opinions, critical remarks and constructive ideas, the real guideline and ultimate objective of the meeting was *planning*, both (a) as a detailed set of demands for putting the Italian motor giant on a firmer financial basis, for a meaningful restructuring of its internal organisation and market operations, and for new and more imaginative work processes (the breaking up of the assembly line's slavery), not simply confined to what goes on within the factory gates but more incisively linked with the general environment in which workers live; and

(b) as a global re-appraisal of the place of FIAT in Italian society today, and specifically of the State-industry nexus and the difficult relationship between stronger pressure for public funds and increasingly sluggish efforts at self-financing by private capital.

What is the actual state of play at FIAT? From the latest encouraging noises to shareholders made by its chairman, Agnelli, the firm's coffers are apparently being given a clean sheet of health: liquidity has gone up in a year from 690 billion liras to the present 1.465 billion. This refers to the whole group FIAT SpA, though, of which the car division is but a minority wing, and it leaves quite open the decisive question as to who will eventually contribute more to foot the 4,500 billion liras already earmarked for investment within the next few years and for which, no doubt, loud claims will be made upon State financial resources. Is therefore the PCI wrong in pinpointing, as it does, the seriousness of the situation at FIAT, and — as some people have suggested — is it exaggerating the problems, in some machiavellian way, in order to serve its own immediate political ends: e.g. to establish further credentials on the road to 'legitimising' its right to enter the government eventually? FIAT cars must be helped — the party's document says — to fully regain its prospects as a viable economic concern but not in the usual, static manner, that is depending even more on public aid: the beggar's bowl line of all declining industries.

Authoritative voices (PCI spokesmen and unions' leaders) have now gone on record around two basic propositions: the accountability of State contributions to FIAT and the firm's obligations, on this basis, to rethink its future in consultation with the unions. The latter have put forward tentative ideas for a 'plan' which takes into account the need to boost productivity within the whole group (not simply man's productivity vis-a-vis the machine, or a drastic labour-cost-saving operation on the part of the management, but the continuous search for a 'new quality' in working processes and workers conditions), and demands the right to know and question the strategic decisions, investment intentions, overall economic behaviour, and distribution of resources within FIAT SpA. In other words, what is being asked now is to have a proper look at the accumulation mechanism that is apparently propelling the FIAT multinational some distance away from what is meant to be the country's 'general interest'.

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