

The Italian factory occupations of 1920

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DURING the month of September, 1920, a widespread occupation of Italian factories by their workforces took place, which originated in the auto factories, steel mills and machine tool plants of the metal sector but spread out into many other industries — cotton mills and hosiery firms, lignite mines, tire factories, breweries and distilleries, and steamships and warehouses in the port towns.

But this was not a sit-down strike; the workers continued production with their own in-plant organization. And railway workers, in open defiance of the management of the state-owned railways, shunted freight cars between the factories to enable production to continue. At its height about 600,000 workers were involved.

This movement blew up out of a conventional trade union struggle over wages. But the wage demands were only the official occasion for the fight; the real aspirations and desires that motivated the workers involved in this struggle go much deeper.¹

Growing Disaffection with the Union Leadership

Amongst the bulk of the Italian populace at the end of World War I, whether workers in factories in the big northern cities, wage laborers on commercial farms in the northern valleys, or peasant farmers in the southern part of the country, there was a mood of expectancy, that maybe now was the time when there would be a qualitative improvement in their lives, after the upheavals and deprivation of the war years.

However, a growing aspiration for workers control, and for social transformation in an anti-capitalist direction, ran head on into the growing bureaucratization of official Italian trade-unionism.

The main trade union federation in Italy was the General Confederation of Labor (CGL), officially aligned with the Italian Socialist Party². Ludovico D'Aragona, and other leaders of the CGL, looked to the British Labor Party as their model, where a professional trade union and parliamentary leadership presided over gradual reforms and an accepted institutional existence within the prevailing capitalist society.

Unlike the United States, where unionism did not become entrenched in the big industrial enterprises until the '30s, in Italy the unions affiliated to the CGL had already achieved contracts with major companies like Pirelli and Fiat before World War I. A professional union hierarchy had emerged, as permanent "representatives" of workers in regular bargaining with employers.

¹ My account of the Italian shop stewards' movement and the occupation of the factories is mostly based on Lynn Williams' *Proletarian Order* (Pluto Press, 1975). Williams' book is sympathetic to the libertarian contribution to the Italian movement after World War I and I highly recommend it. Paulo Spriano's *The Occupation of the Factories* (Pluto Press, 1975) is considered to be a fairly definitive account of the movement. Daniel Guerin's *Fascism and Big Business* (Pathfinder Press) has a good explanation of the rise of the Mussolini regime in the aftermath of the factory occupations.

² The Italian Socialist Party (PSI) was a mass labor party based on the CGL trade unions, the cooperative movement, and a practice of electoral politics at the national and local level. Reflecting the class-consciousness and rebelliousness of the Italian working class, the PSI was more prone to flights of radical rhetoric than its Northern European cousins. But the PSI's practice and organization was typical of turn-of-the-century European social-democracy. The growing sense of imminent social change among working people in Italy after World War I was reflected in the rise of the PSI's vote — increasing from 11% in 1913 to 30% in 1919. By 1920 the PSI had become the largest party in the Italian parliament and controlled one-fourth of the city governments in Italy. The PSI affiliated to the Communist International in 1919 and eventually changed its name to "Italian Communist Party."

The process of union bureaucratization, and an increasing gap between the leadership and the rank-and-file, was accelerated by the First World War. During the war Italian industry was subjected to a kind of industrial feudalism with workers tied to their jobs under threat of imprisonment.

A system of joint labor/management grievance committees were imposed by the government — essentially a system of compulsory arbitration to settle disputes over wages and safety. In order to not be completely frozen out, the union officials participated on these committees. But the unions were unable to defend their members in cases of management discipline such as firings.

The war government of Vittorio Orlando also set up a high-level joint labor/management commission to draft proposals for reconstruction of Italy after the war. Participation of CGL leaders — such as Bruno Buozzi, head of the Italian Federation of Metalurgical Workers (FIOM) — on this commission amounted to collaboration with the plans and goals of the business class.

This increasing collaboration with the war government generated distrust among the rank and file. Even before the war-time austerity bore down on working people, participation in the war was not popular in the working class communities of northern Italy. Opposition to the war was especially intense in the big industrial city of Turin, center of Italy's auto industry. In reaction to Italy's entry into the world war in 1915, there was a two-day general strike against the war on May 17–18, which led to prolonged and bloody clashes with the police.

When the Socialist Party's parliamentary representatives voted against the war budget in 1915, their action reflected this deep-seated anti-war feeling among their working class constituency.

But the collaboration of the labor leadership with the war government and the institutions of wartime labor discipline had the effect of sowing doubts about that leadership in the minds of many workers.

One of the first indications of the widening gap between leaders and the rank and file in the CGL unions was the opposition of rank and file activists to the national FIOM contract in March of 1919. In the months immediately after the war, the industrial firms were willing to grant concessions to labor organizations in order to avoid disruption of their efforts to quickly convert from production of arms to civilian production. This situation led to a massive strike wave as workers took advantage of this situation.

The employers were particularly willing to grant concessions on pay and hours in exchange for greater control over the labor process. This is precisely what the FIOM officials agreed to, reflecting the bureaucratization of the FIOM, whose top officials did not have to work under the conditions of the contracts. In exchange for a wage increase and the eight-hour day, restrictions were imposed on rapid strike action and the in-plant organizations of the workers were not permitted to be active during working hours. The workers also had to work a full day on Saturdays instead of half-days as before. At the next FIOM congress this contract faced blistering criticism from the Turin delegates.

The growing conflict between the rank and file and the institutional leaders of the Italian labor movement led to the emergence of new organizations, of a more grassroots character. This took two main forms: (1) The movement for shop stewards' councils, independent of the established trade union hierarchy, built up by the rank and file activists of the CGL unions, mainly in Turin; and (2) the emergence and growth of a dissident union, the *Unione Sindacale Italiana* (Italian Syndicalist Union — USI).

Origins of the USI

The USI had originated from an anarchist-inspired rank and file opposition within the CGL unions. With the growth of professional trade union hierarchies and an increasing orientation of official trade unionism to electoral politics, the reaction of the anarchists was the development of dissident rank-and-file groups — called “committees for direct action,” beginning around 1908.

By the time of the Modena Congress of Direct Action Committees in 1912, there were 90,000 participants in these committees. It was decided at that congress that the movement for a more militant, non-bureaucratic workers movement had sufficient mass support to launch a new labor organization, and thus the USI was born. By 1914 the USI had grown to 150,000 members.

The USI had low dues and no hierarchical, professional trade union leadership like the CGL; it was based on horizontal links between militant associations of workers in the various workplaces. The main focus was the unity of the local unions from the different sectors in particular communities but the USI did have a major national federation in the metal sector, which grew to 30,000 members in 1920.

USI’s method of organization was mobilization of workers around direct action, and it believed that a social transformation could be achieved through “an expropriating general strike” — essentially a generalized “active strike” in which workers continue production under their own control. The USI was the Italian counterpart of the Industrial Workers of the World (IWW) in this country.³

Origins of the Turin Shop Stewards’ Movement

As the war was coming to an end the experience of the British shop stewards’ movement was beginning to register in Turin, through reports in the local leftwing press. Though the British shop stewards’ movement provided the original model for the development of new shop organization in Turin, the concepts were modified by workers to meet the needs of the Italian situation. A campaign for a new form of shop organization developed through countless smallgroup discussions, in local “socialist circles”, workers’ education centers, and in workplaces.

A group of Socialist Party activists, including Palmiro Togliatti, Antonio Gramsci⁴, and Umberto Terracini, set up a magazine, *L’Ordine Nuovo*, to popularize ideas of grassroots shop organization and to serve as a forum for workers to discuss what form such organization should take to meet the needs of their situation. Though the magazine’s founders were active in the Socialist Party, anarchists also participated; the magazine was independent, it had an open-ended, non-party character. This made the magazine well-suited to a movement dedicated to developing a heightened unity in the workforce.

³ Reflecting the revolutionary situation in Italy, however, the USI was a much larger proportion of the labor movement than the IWW was in the U.S. In 1914 the CGL federation had 300,000 members while the USI was half as large, with 150,000 members. At that time the Catholic union federation had 100,000 members. By Sept. 1920 USI was claiming 800,000 members while the CGL had climbed to about 2 million and the Catholic union had 1 million. But in this country, the IWW at its height was always less than 10% the size of the AFL.

⁴ Togliatti, Gramsci and Terracini had gotten involved in the socialist movement while students at the University of Turin. They were active in the workers education centers. Togliatti eventually became a leader of the Italian Communist Party after World War II, Terracini became a famous lawyer, while Gramsci died in a fascist prison.

To understand the new type of organization that was evolved, it is necessary to consider the problems that rank-and-file activists were trying to solve:

- **Lack of Rank-and-File Participation.** The typical in-plant organization existing at that time in the FIOM, and other CGL unions as well, was the “internal commission” (equivalent to a shop committee in this country). In the early union contracts these were ad hoc committees set up to deal with grievances but eventually they became permanent bodies for representing the local plant workforce in dealing with management. The Turin rank-and-file activists criticized the existing internal commissions as essentially a union oligarchy, making decisions without the participation of the mass of workers.
- **Divisions between Union Members and Non-members.** Though the unions had been entrenched in contract bargaining with employers for some time, union membership was always voluntary — at times the union membership were even a minority who had to mobilize the rest of the workforce as struggles emerged. A problem that confronted the workplace activists was that of involving the non-union workers in a developing unity of the workforce. This was an important difference from the situation confronted by the British shop stewards’ movement, where British craft unions typically had closed shop contracts.
- **Divisions by Craft and Ideology.** The voluntary nature of union membership had also facilitated the rise of dissident unions, such as the USI⁵, often reflecting ideological divisions among workers. Other divisions in the workforce in the factories in Turin were that between the blue collar workers and white collar workers, and between the machine operators, who typically belonged to the FIOM, and the skilled technicians, who had their own craft union. It was perceived that the unity of the workforce could best be achieved by a form of organization that was independent of any of the existing trade unions.

Rise of the New Shop Organizations

The first of the new shop stewards’ organizations was developed at a Fiat plant at the end of August, 1919, and quickly spread to other plants in Turin throughout September and October. The new organizations were built initially without any authorization from the CGL unions.

The new organization was directly based in the group of people who work together in a particular workshop or department. Typically there would be a shop steward elected for each group of 15 or 20 or so people. The elections of the shop stewards took place right in the workplace, during working hours. The shop steward was expected to reflect the will of his co-workers who had elected him, and was subject to immediate recall if his co-workers so desired. The assembly of all the shop stewards in a given plant then elected the “internal commission” for that facility. But this new internal commission was now directly, constantly responsible to the body of shop stewards, which was called the “factory council.”

⁵ Other dissident unions were the Catholic CIL, founded in 1914, and the prowar, nationalist UIL, which had split off from the USI in 1915. Though members of these organizations were not excluded from participation in workplace assemblies and election of shop stewards, they were not allowed to be candidates for shop steward and the Shop Stewards’ Program called upon “labor comrades to break away from those organizations which are built on religious or nationalist principles.”

On October 20th, an assembly of all the shop stewards from nearly 20 plants in the auto and metal-working sector set up a “Study Committee for Factory Councils” to develop a specific program that would embody the conclusions that the movement had been working towards. The movement was now driving towards re-organization of the local union organization of Fiom in Turin and this was discussed at another assembly of shop stewards from over 30 plants, representing 50,000 workers, which took place on October 31st. This assembly adopted a program prepared by the “Study Committee,” which was the outgrowth of the countless discussions amongst the workforce⁶. The program called for re-election of shop stewards every six months, and required them to “hold frequent referenda on social and technical questions and to call frequent meetings to...” consult with the people who elected them before making decisions.

Throughout 1919 the USI had been calling for a “revolutionary united front” between the workers of the CGL, USI and the independent rail and maritime transport unions. The USI envisioned a unity that could overcome the major ideological division within the Italian working class, that is, the division between supporters of the Socialist Party and those sympathetic to the anarchists⁷. The shop stewards’ program responded positively to this initiative, clearly giving USI members equal right to be elected as shop stewards alongside members of the Fiom. The Turin movement thus interpreted the idea of a “united front” in terms of the unity of the workforce comprised in the shop councils.

At an assembly on Oct. 31st, the shop stewards resolved on a program for re-structuring the local union, which carried the day despite the vehement objections of the union officials. Control of the local Fiom organization now passed to the assembly of all the metal industry shop stewards in Turin who acquired the right to elect the local union executive. Although the Socialist Party was the political organization with the predominant support among Fiom members, Maurizio Garino, an anarcho-syndicalist who was a member of the Turin Libertarian Group, was elected the new secretary of the Turin section of Fiom because of his staunch support for the new movement for rank-and-file workers’ democracy.

Councils as Organs of Workers’ Control

The new movement in Turin did not view the shop councils as merely a means of reforming the union movement, however. The Shop Stewards Program, adopted on Oct. 31st, stated that their purpose was “to set in train in Italy a practical exercise in the realization of communist society.”

The shop councils were seen as both the vehicle of social transformation as well as the basic units of control by working people in a future socialized economy precisely because they united the whole workforce in a highly democratic manner. The Shop Stewards Program saw the councils as having “the potential objective of preparing men, organizations and ideas, in a continuous pre-revolutionary control operation, so that they are ready to replace employer authority in the enterprise and impose a new discipline on social life.”⁸

⁶ The Shop Stewards’ Program is reprinted on pp. 122–123 of *Proletarian Order*.

⁷ The main political organization of Italian anarchists was the Italian Anarchist Union (UAI), whose publication was the daily *Umanita Nova*. The UAI was the main political influence in the USI.

⁸ *Proletarian Order*, p. 124.

Because of the widespread rank and file distrust of the union officials, and the need to develop unity with workers who were not members of the CGL unions, the Turin workplace activists insisted upon the independence of the shop councils from the CGL trade unions. Nonetheless, they did not reject the CGL unions entirely.

Instead, the Shop Stewards Program took the position that the trade unions and the councils had different functions. The trade unions had been built up in struggles with the employers and represented certain gains that had been made in such areas as wages and hours within the present system. The trade unions are essentially workers' collective marketing organizations within a society where workers must sell their ability to work. The unions, therefore, need to be supported until such time that the workforce is in a position to go beyond the existing compromises with the employers and completely replace the competitive, private enterprise economy.

However, the councils need to be independent of the unions because the unions, as shown by their bureaucratic structures, are committed to maintaining the existing compromises with the employers. The bureaucratic trade unions, as Antonio Gramsci put it, "tend to universalize and perpetuate [the] legality" codified in these compromises. The shop councils, precisely because they are not a professional bureaucracy external to the workers themselves, "tends to annihilate [this legality] at any moment, tends continuously to lead towards greater workers industrial power...tends to universalize every rebellion."⁹

Socialist Party Opposition to the Turin Councils

Although the Turin section of the Socialist Party was playing a major role in the new shop council movement, in cooperation with anarcho-syndicalists such as the Turin Libertarian Group, the main activists and leaders of the Socialist Party outside of Turin were solidly opposed to the new movement for two reasons:

- They saw this movement as undermining the existing trade union structures and leaders who they regarded as an essential basis of their party's political fortunes.
- They were opposed to any interpretation of workers power in society in terms of mass organizations in workplaces instead of the direct rule of the Socialist Party.

Giacinto Serrati, the most influential leader of the Socialist Party, held that the rule of the working class was to consist of the rule of the Socialist Party¹⁰. The Turin socialists who were active in the shop council movement saw the councils, not the party, as the future organizations through which the working class could exercise power in society. Though most of them saw an important role for the Socialist Party in achieving socialism, they did not believe that the Socialist Party could embody working class rule because, as a voluntary political association based on a particular ideology, it was not sufficiently all-embracing and was not rooted in the natural communities of workers that develop in the production process.

⁹ *Unions and Councils*.

¹⁰ What Serrati actually said was: "The dictatorship of the proletariat is the conscious dictatorship of the Socialist Party." Serrati was here using the term "dictatorship" in its 19th century marxist sense; that is, any state, however formally "democratic" it may seem, is the "dictatorship" of a social class, in Marx's view, because it enables them to dictate the configuration of society.

CGL Response: Union-Controlled Councils

The rise of the shop council movement reflected rank and file dissatisfaction with the existing trade unions and so the CGL was under pressure to respond in some way, especially given the voluntary nature of union membership and the competition from the rapidly growing dissident union movement organized in the USI.

The CGL unions responded with proposals for reforms of the internal commission, but with the vote for shop stewards limited to only CGL union members. One proposal would have one shop steward for every 300 or 400 union members — which would make the shop stewards less responsive to their constituents. The new internal commissions would not embody a unity with non-CGL workers, such as USI groups, and would be under the control of the CGL union.

The proposals for union-controlled councils were preferred by the bulk of the Socialist Party and CGL union activists outside of Turin and was thus able to predominate within the CGL unions in the rest of the country. The result was to entrench the division in the working class between those sympathetic to the Socialist Party and those more inclined to a libertarian approach, as embodied in the USI movement.

The Russian revolution had only just occurred and the Bolsheviks had tremendous prestige within the Italian socialist movement at this time. Indeed, the Italian Socialist Party had voted to affiliate to the Communist International in March of 1919. Serrati, and the other Socialist Party leaders, were able to bring the prestige of the Soviet Communist leadership to bear against the Turin council movement and the developing movement for workers control of industry.

Nicolai Ljubarsky, the representative of the Communist International in Italy, pointed out that the factory committees that had arisen in the Russian revolution in 1917 were the Russian counterpart of the Turin councils and these committees had eventually been subordinated to the trade unions in Russia and had not become an organ of workers management of industry or a basis of political rule of the working class¹¹. In effect, the prestige of the Russian Communists was being used to bolster the position of the Italian trade union bureaucracy.

Nonetheless, on December 14–15, at a meeting of the Turin area Labor Chamber (Camera del Lavoro) — the official Turin-area central labor council — the proponents of the shop council system were able to win endorsement of the council program for the whole Turin labor movement. By the time of the first re-election of shop stewards in February of 1920, it was estimated that over 150,000 workers in the Turin area were organized in the new council system.¹²

The USI and Council Organization

The Turin council movement evoked an immediate and positive response from the libertarian wing of the labor movement. I've already pointed out the involvement of anarcho-syndicalists in Turin, such as the Turin Libertarian Group, within the shop council movement. In early 1920 the dissident libertarian union, the USI, held its own congress at Parma and the Turin council program was the major topic. Enea Matta, a Turin socialist active on the "Study Committee for Factory Councils," which had written up the draft Shop Stewards Program, was a guest speaker.

¹¹ *Proletarian Order*, p. 157

¹² *Proletarian Order*, p. 141.

Alibrando Giovanetti, the secretary of the USI metal workers union, urged support for the Turin councils because they represented anti-bureaucratic direct action, aimed at the control of industry, and could be the cells of revolutionary industrial unions, a potential “One Big Union” of the workforce.

Veteran anarchist activist Errico Malatesta expressed reservations but also supported the councils as a form of direct worker activity that was guaranteed to generalize rebelliousness among the workforce. The USI adopted the new shop council organization as its own and the anarchist daily *Umanita Nova* and *Guerra di Classe*, the paper of the USI, soon became as fervent in beating the drum for the shop councils as *L'Ordine Nuovo* and the Turin socialists.¹³

The explosive growth of the USI outside of Turin reflected the inability of the CGL unions to embody the militancy and aspirations for workers control that were increasingly widespread among workers in northern Italy. The USI grew from 300,000 members in 1919 to a peak of 800,000 members by the time of the occupation of the factories in Sept. of 1920.

The anarcho-syndicalists in Turin were not as motivated to build a separate USI organization in Turin because of their support for the shop council movement, despite its development within the ambit of the CGL unions. They supported the shop council movement for several reasons:

- It embodied the sort of grassroots, democratic organization and mass participation that they believed in;
- it was openly friendly to the libertarian wing of the labor movement and aimed at developing a democratic united front of rank and file workers despite the predominance of Socialist Party activists;

and

- it was a movement that had adopted the same goal as the anarcho-syndicalists, that is, workers self-management of industry as part of an integral socialization of the economy.

The April General Strike

As I mentioned earlier, the March, 1919, national contract of FIOM had provided that the internal commissions were banned from the shopfloor, restricted to non-working hours. This means that the activities of the shop stewards' movement in Turin — such as stopping work to hold shop steward elections — were in violation of the contract. The movement was essentially being maintained through mass insubordination.

The showdown with the employers arrived in April, when a general assembly of shop stewards at Fiat called for sit-in strikes to protest the dismissal of several shop stewards. In response the employers declared a lockout, which affected 80,000 workers. The government of Francesco Nitti supported the lockout with a mass show of force, as troops occupied the factories. When the shop stewards movement decided to surrender on the immediate issues in dispute after two

¹³ *Proletarian Order*, pp. 195–196.

weeks on strike, the employers responded with a demand that the shop stewards councils be limited to non-working hours, in accordance with the FIOM national contract.

This would have gutted the shop councils and the Turin labor movement responded with a massive general strike in defense of the shop councils. The strike spread throughout the region of Piedmont and involved 500,000 workers. The streetcars, railways, public services and many commercial establishments were shut down in addition to the entire manufacturing industry of the region.

The farm workers in the countryside around Turin were also involved in a struggle over the defense of their labor exchanges and the Turin movement adopted these organizations as part of the same movement, spreading the strike movement to agriculture.

The Turin movement then sent delegates to a meeting of the National Council of the Socialist Party in order to push for extending the general strike throughout the country. However, the Socialist Party and CGL union leaders were not particularly enthusiastic about the Turin council movement and refused to offer any support.

The main topic on the agenda of this meeting was the Socialist Party's efforts to work out a concept of "workers' councils" or "soviets," in order to respond to the popularity of these ideas, particularly in the aftermath of the Russian revolution. The scheme discussed by the party envisaged "soviets" — local revolutionary governing bodies — based, not on industrial or workplace groupings, but on neighborhood or geographic districts. The whole project was to be run by committees of the Socialist Party who would create these "councils."¹⁴ These ideas remained entirely academic, however, as no effort was ever made by the PSI to carry this out.

Commenting bitterly on this performance of the party leaders, Antonio Gramsci said: "They went on chattering about soviets and councils while in Piedmont and Turin half a million workers starved to defend the councils that already exist."

With the opposition of the CGL and Socialist Party leaders, the only support to the Turin general strike came from unions that were mainly under anarcho-syndicalist influence, such as the independent railway and the maritime workers unions. The railway workers in Pisa and Florence refused to transport troops who were being sent to Turin. There were strikes all around Genoa, among dock workers and in workplaces where the USI was a major influence.

Eventually the CGL leadership settled the strike on terms that accepted the employers' main demand for limiting the shop stewards' councils to non-working hours. Though the councils were now much reduced in activity and shopfloor presence, they would yet see a resurgence of their position during the September factory occupations.

Despite the setback suffered by the council movement in Turin, the movement for workers control and new, grassroots organization continued to grow throughout 1920, as measured, for example, in the rapid growth of the USI. New independent shop councils emerged during this period in Milan — Italy's biggest city and main commercial center — mainly through the efforts of the USI.

The FIOM Wage Struggle

The growing competition from the USI put the CGL leadership under considerable pressure to adapt to methods and tactics that would reflect the increasingly militant mood. The FIOM

¹⁴ *Proletarian Order*, p. 167.

grew to 160,000 members during this period but the USI metal workers union also had enrolled 30,000. From January to September, 1920, the cost of living increased by one-third. It was in this inflationary context that the FIOM decided on a demand for a 40% wage increase at its congress in May of 1920. At the same time, the employers were trying to exploit their victory over the shop council movement in April to take a more hardline stance, and there were numerous firings of activists.

The employers feared that a recession was on the horizon and were intransigent against a wage increase. The FIOM decided on a go-slow as a tactic to make them change their tune. The USI metal workers, meeting at La Spezia on Aug. 17th, did not approve of the go-slow, since they felt it was an ineffective weapon. Instead, they called for both unions to occupy the factories:

“The expropriation of the factories by the metal workers must be simultaneous and speedy and must be defended by all necessary measures. We are determined, furthermore, to call the workers of other industries into battle.”¹⁵

Nonetheless, the USI agreed, for the moment, to go along with the go-slow so as “not to divide the working class.”

As a concession to militant opinion, FIOM agreed that if any employer responded to the go-slow with a lockout, the workers should occupy the factory, by battering in the gates, if necessary.

Into the Factory Occupation

The go-slow was widely observed and its effect can be judged from the fact that only 27 vehicles were produced daily at the Fiat-Centro plant during August compared to 67 vehicles on a normal day.

However, towards the end of August the go-slow was tending to develop into a sit-down strike and on Aug. 30th work came to a halt at the Romeo plant in Milan. This plant was part of the Ansaldo conglomerate, who took the most intransigent position against the unions. This company was run by the Perrone brothers — ultra-nationalist “robber barons” who had built up their empire on massive profits during the war; they eventually became the first big business group to fund Mussolini’s fascist movement.

When the Romeo management locked out their 2,000 workers on Aug. 30th, the Milan section of FIOM responded by immediately occupying 300 factories in the Milan area. The leadership of FIOM responded by praising the Milan membership but asking workers in other cities to continue the go-slow. However, on the night of August 31st the employers’ federation in the metal industries ordered a general lockout throughout Italy.

Lynn Williams described what then took place in these words:

“Between the 1st and 4th of September metal workers occupied factories throughout the Italian peninsula...the occupations rolled forward not only in the industrial heartland around Milan, Turin and Genoa but in Rome, Florence, Naples and Palermo, in a forest of red and black flags and a fanfare of workers bands... Within three days 400,000 workers were in occupation. As the movement spread to other sectors, the total rose to over half a million. Everyone was stunned by the response.”¹⁶

¹⁵ Quoted in *Proletarian Order*, pp. 238–239.

¹⁶ *Proletarian Order*, p. 241.

In Turin the shop councils emerged from the background to run the occupation. Typically mass assemblies were held to decide what to do. Production was continued, but now with the shop councils taking over responsibility. Committees were elected to handle transport, raw materials, defense. Guards were selected and armed.

Expressing the euphoria of the moment, Antonio Gramsci addressed a factory assembly in Turin in these words: “The social hierarchies are broken. Historic values are overthrown. The classes” that had been mere instruments of others “are become directing classes... Today...the workers themselves must build the first historic cell of the proletarian revolution which thrusts through the general crisis with the irresistible power of a force of nature.”¹⁷

Speaking at another factory meeting, Gramsci stated that the concrete problems of running factories in isolation would lead to the formation of a city-wide workers’ council, with its own military force — a potential replacement for the city government authority. In practice, however, the coordination of the occupations — for example, sales of product — was typically achieved through the Labor Chamber (city-wide central labor councils). Individual factories were forbidden from selling the products of their work since production was deemed to be “for the benefit of the collectivity.”

In the shops where the USI was dominant, such as the metal-working job-shop industry around Genoa, the factories were also run through the factory councils. Outside of Turin and the USI strongholds, the CGL union hierarchy was more dominant. There, councils also emerged to run the occupation but under union control.

Extensions

The tendency was for the occupation movement to extend beyond the metal sector where it originated. For example, in Turin the Michelin plant and other rubber firms were occupied as were the footwear plants, the tannery, textile mills, four wool plants, four hosiery firms, and the artificial silk plant. In Milan, the Pirelli tire plant was taken over, as were the Campari distillery, the Italia brewery, and the Hutchinson rubber plant¹⁸. By the middle of September nearly 600,000 workers were occupying and running their factories through their factory councils.

Most of the extensions of the occupation outside of the metal industry, other than those in Turin, were carried out by unions under anarcho-syndicalist influence, such as the takeover of ships by the independent maritime union or occupations of mines, commercial farms and other enterprises carried out by USI.

USI’s persistent call throughout the occupation, as its membership neared 800,000, was for the extension of the occupation to all industries, and for its transformation into an “expropriating general strike,” that is, making the occupation permanent through the creation of a new economic order under workers management.

Perhaps the most important extension of the occupation that took place was the action of the railway workers union. As the rail union moved into a position of support for the occupation throughout the country, the workers on the Italian State Railways began switching freight cars to the factory sidings, providing fuel and raw materials and transport connections between the

¹⁷ Quoted in *Proletarian Order*, p. 240.

¹⁸ *Proletarian Order*, pp. 249–250.

various factories under occupation. This action was essential in enabling the workers to continue production.

At this point the liberal government of Giovanni Giolitti began to prepare plans for the militarization of the railways. Nonetheless, Giolitti's main strategy for defusing the crisis was to pursue a policy of strict government non-intervention while backing the position of the CGL leaders, who wanted to end the struggle in a compromise with the employers. In response to employer requests for government military intervention, Giolitti told the chief government administrative officer in Milan: "It is necessary to make the industrialists understand that no Italian government will resort to force and provoke a revolution simply to save them some money."

The first serious discussion of a generalized occupation aiming at a permanent re-organization of the economy took place on Sept. 7th at a convention of the unions in Liguria (the region around Genoa), an area where anarcho-syndicalist influence was particularly strong. The convention agreed to "create a fait accompli by the occupation of Genoa, greatest port of Italy, together with all the other ports of Liguria, and to follow it up at once with a general occupation of every branch of production."¹⁹

In the incendiary climate of the moment, this action might have quickly spread elsewhere and decided the direction of the struggle, which was wavering between, on the one hand, a revolutionary re-organization of the economy, being pushed by the USI and the Turin labor movement, and, on the other hand, some sort of structural reform worked out in a compromise with the employers, which was the position of the CGL leadership.

At this moment, however, Maurizio Garino, the anarcho-syndicalist secretary of the Turin branch of FIOM, persuaded the Ligurian convention to wait until an emergency national council meeting of the CGL, planned for Sept. 10th. He argued that the CGL council would vote to extend the struggle into a complete socialization of the means of production and this would enable the Genoa unionists to avoid an action taken in isolation. Garino made the mistake of assuming that the revolutionary impetus among the rank and file could convert the bureaucratized CGL into an organ of revolution.

CGL Leaders Adjourn the Revolution

The two alternative directions for the occupation movement were posed at the CGL National Council meeting. At this meeting the Socialist Party, and most especially the Turin socialists, were pushing for extending the occupation, making it a permanent expropriation and "socialization of the means of production and exchange."

Ludovico D'Aragona and the other CGL leaders opposed this direction, and posed an alternative in terms of a struggle for "union control." "Control" here would not mean union management but the right to complete information about the state of the industry and joint labor/management control over hiring and firing. They presented this proposal as the first step in a gradual process leading eventually to the socialization of the economy.

The vote by the assembled union representatives was 54% for the CGL position to 37% for the Socialist Party position²⁰. (The FIOM leadership abstained.)

¹⁹ Armando Borghi, anarchist general secretary of the USI, quoted in *The Occupation of the Factories*, p. 85.

²⁰ *The Occupation of the Factories*, p. 92.

Support for the Socialist position came from the industrial unions whereas the majority for the CGL leadership was based on the small craft unions and, most especially, the rural workers union, Federterra, which was adamantly opposed to the proposal for raising the stakes of the struggle. The rural unions had been built in difficult struggles in the countryside largely fought out over issues specific to their sector. They sensed their isolation in the countryside and few links had been developed with the movement among industrial workers in the city.

Commenting on this vote, the International Labor Office in Geneva, which supported the position of the CGL leadership, pointed out that this vote tally actually underestimated the support for the CGL leadership position because it was tallied on the 1919 membership statistics. But the rural federation had mushroomed from 36% of the CGL membership in 1919 to 46% of the CGL by the time of the September vote.

However, the ILO's position ignores the fact that the maritime and rail transport workers union supported extending the movement to a permanent expropriation, but, as independent unions, were denied any vote. Moreover, the USI, which was persistently calling for extension and permanent expropriation, was not even invited to this council meeting and it was claiming 800,000 members at this time — or four-tenths the size of the whole CGL. The evidence is that a majority of urban workers in northern Italy would have supported an extension of the struggle.

Immediately after this vote Giolitti went into action to work out a deal between the CGL leadership and the industrialists' federation. Giolitti told the employers that he supported the position of the CGL leaders and was prepared to introduce legislation that would set up a joint labor/management commission to work out the details of "union control."

This provoked outrage and panic among the industrialists. However, at a meeting of the employers confederation, Silvio Crespi of the Banca Commerciale urged that they go along with the deal. He argued that a recession was on the horizon, there would be high unemployment which would weaken the unions' bargaining position. Changes in the economic and political climate would eventually bury the idea of "union control." In the meantime they could drag their feet to delay implementation of the proposal. The employers' association then voted to accept the deal. As it turned out, Crespi's predictions proved quite accurate.

Despite intense opposition from the USI²¹ and the Turin shop stewards' movement, the CGL leadership were successful in getting the majority of rank and file workers to accept the deal. Most went along with the settlement because it gave them at least the sense of having won, of having opened the door to an increasing voice in industry. The settlement also included increases in pay, cost of living bonuses and overtime premiums.

Certainly one of the clearest results of the occupation of the factories was the resurgence of the shop stewards' council movement. The defeat in April in Turin, when the councils were banished from the shopfloor, was now avenged...at least for the moment.

²¹ Immediately after the CGL vote, the USI held an "Inter-Proletarian Convention" with the independent rail and maritime unions. The convention denounced the vote as "minoritarian and null" and called for further action. Nonetheless, they also recognized that the revolution required a majority of the working class: "we can't do it by ourselves." (*The Occupation of the Factories*, p. 94.)

The Fascist Onslaught

Yet, trouble was not long in coming. In November the Perrone brothers were the first big businessmen to start pouring funds into Mussolini's fascist groups, which began to mushroom into a mass movement at this time, enrolling 300,000 people during the first six months of 1921. Two years of constant strikes, of sitting on the edge of revolution, had provoked anger and fear among the professional and property-owning strata, the small business class and lower-level officials in government and industry. It was mainly from these strata of the population that Mussolini was gaining recruits. As the funds poured into Mussolini's coffers, he was able to provide the fascist squads with vehicles and other equipment, which facilitated rapid strikes against the labor movement, so-called "punitive expeditions" that terrorized whole communities.

By the spring of 1921 the recession that Crespi had predicted had arrived and unemployment soon increased six-fold. The joint labor/management commission appointed by Giolitti to work out the details of "union control" broke up in hopeless disagreement. Though Giolitti then passed legislation that implemented his version of "union control," it was much too weak to satisfy even the CGL union heads, granting the workers little more than union and political rights in the workplace, rights they had already conquered through their own efforts anyway. The combination of recession and the failure of the union control proposal created widespread disillusionment among rank and file workers.

An employers offensive began to take shape in February of 1921 with wholesale dismissals and attacks on the shop stewards' movement. In April of 1921, taking advantage of the new economic and political situation, the heads of Fiat demanded that the shop councils confine their activity to non-working hours — the same demand that had precipitated the Turin general strike the previous April. Once again troops flooded into the factories and the workers were locked out.

But this time the strike/lockout took place under the worst possible conditions — with high unemployment, widespread disillusionment and with union halls and leftwing newspaper offices being sacked and burned by fascists all over northern Italy. The shop stewards eventually threw in the towel and the workforce returned to the factories in May.

A mass mobilization by the USI defeated an attempted fascist attack on Parma in early 1921 but this was the exception as the fascist onslaught built up throughout the year. Leftwing and union organizations were often forced into a semi-underground existence, as local police and army personnel cooperated, more or less openly, with the fascist groups. Local authorities would routinely grant gun permits to fascists and just as routinely deny them to socialists. Nonetheless, the Socialist Party leadership still insisted upon a legalistic approach. "Call the police!" was their response to a fascist attack. Eventually groups of socialists began to form Arditi del Popolo — a people's militia — for self-defense. But it was "too little, too late."

Lessons

Though the Socialist Party's radical rhetoric did inspire people with a hope of social change, the party's reliance upon electoral politics and the trade union hierarchy made it structurally impossible to break out of a practice of gradualism and compromises with the employing class. Yet, the radical rhetoric of this bureaucratized wing of the movement hid its tendency to stand in the way of a break with the system. When Maurizio Garino told the Ligurian union convention

to hold off on a generalized expropriation of industry in their region — an action that could have provoked an incendiary response elsewhere — he was making the mistake of relying too much on the possibilities of pressuring the CGL trade union federation.

Nonetheless, his mistake was grounded in the unfortunate reality that the rank and file of CGL unions outside Turin had not been mobilized independently of the CGL hierarchy to the extent they had been in Turin. This made it difficult to not rely on the CGL union organizations in building a unified, national movement for extending the struggle, as opposed to isolated actions in particular towns or particular sectors, which could then be more easily crushed by the government. The strength of the Turin movement was precisely its ability to unite workers directly, across union or ideological divisions but independently of the national trade union hierarchy. Despite its militancy and mushrooming growth, the USI recognized that it was a minority of the working class and that the expropriation of the employing class could not be achieved without the participation of the CGL rank and file.

The opposition of the rural unions of the CGL to extending the struggle to the expropriation of the employing class in September of 1920 reflected the isolation of the agricultural sector from the movement developing in the towns and industries. However, there were indications that a linkage between the rural and urban workforces was possible — the mutual support between the farm workers of Piedmont and the shop council movement in Turin in April of 1920 is one example.²²

The protest occupations of big estates and the huge growth of socialist and Catholic rural unions showed the willingness of rural workers to also fight against the power of the employers. The leftwing of the Catholic labor movement — such as the “Estate Council” movement around Cremona — were also talking about expropriation and collective workers management. But for the most part, the Catholic and social-democratic rural union movement confined its efforts to struggles in its own sector and efforts at reform through the political process.

In hindsight it is possible to see that the real choice that faced the Italian working class after World War 1 was “Fascism or Revolution?” The union bureaucrats’ hopes of “structural reforms” in the system proved to be hopelessly unrealistic. Posing the stark prospect of workers’ revolution before the noses of the small business, professional and managerial classes provoked anger and fear in these sectors. Yet, the failure to carry through on the opportunity for social transformation left the system with the breathing space to mobilize fascist “antibodies” from within those middle strata in order to crush the labor movement with brutal force.

²² Italy after World War I was a country where capitalism had developed much farther than in the Russia of 1917. This was reflected not only in the higher proportion of the workforce employed in industry (28%) but also in the fact that Italian agriculture — at least in the North — was more commercial. The industrial agriculture of the Po Valley had witnessed intense struggles between growers and wage-workers. Of the workforce in Italian agriculture, 60% were wage-laborers or tenant-farmers. The huge growth of rural unionism in Italy after World War I — enrolling 1.6 million wage-workers, tenant farmers and peasants — reflected this reality.

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