Italy on the eve of new class battles

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Measured by total debt, Italy rivals Greece. Italian government debt, which two years ago stood at 106 percent of gross domestic product, climbed to 118 percent by the end of 2009, while tax revenues have declined steadily due to the crisis.

The right-wing government of Silvio Berlusconi has now agreed to a drastic austerity programme, which will be presented to the European Union (EU) on 7 June in Brussels. According to plans drawn up by Finance and Economics Minister Giulio Tremonti, the plan will result in nearly €25 billion in cuts by 2012.

The Berlusconi government is to cut 400,000 posts in the public sector. Only one in five civil service jobs will be filled on retirement. Public sector employment is to be reduced from 3.3 million to 2.9 million. The salaries of some civil servants will be cut, and a general pay freeze imposed.

Central government payments to cities, municipalities and regions will be drastically cut, and many are in a precarious position. As was revealed recently, more than 700 Italian cities and towns have tried to supplement their ailing finances through trading in risky derivatives, which they now have to write off due to the financial crisis.

The cuts will also affect the state pension system, which in Italy is particularly important in the absence of reasonable social benefits. Ten years ago, it was possible to retire at the age of 57, after paying 35 years of insurance contributions. This scheme was abolished under the Prodi government, which raised the minimum retirement age to 61. Now, the retirement age is to be raised again by one year, and then gradually raised to 65 by 2016.

In Italy, old-age poverty is rampant. Many senior citizens are already forced to make do with a minimum monthly pension of €500. Also, welfare recipients will face even more difficulties in future because welfare agencies are being merged and some closed.

Nearly 160,000 jobs in health care are being cut in the next three years; 12,000 physicians with temporary contracts are to lose their jobs.

Schools are to be hit again. More than 80,000 teaching posts were eliminated two years ago, now 41,000 jobs are to be slashed at state schools. Schools will have to dismiss assistant teachers and technical and administrative support staff who only have temporary contracts.

It is also planned to increase VAT (sales tax), which will make petrol especially expensive. This will particularly affect workers who depend on a car or moped, as well as small traders and dealers.

Unemployment has increased month on month since the outbreak of the global financial crisis in 2008. It is now at its highest level since 2001, with the number of jobs at risk also growing sharply. Officially, according to statistics agency Istat, 9 percent of workers are jobless, with strong regional differences along the north-south divide. Young people under 24 are particularly hard hit, facing a 29.5 percent unemployment rate, which means that almost one in three has no work.

Employment protections are being undermined and the right to strike restricted. In March, the Berlusconi government tabled a bill that worsened protections against dismissal, making it harder for workers to claim their entitlements and rights before an employment tribunal. Instead, they must first go to “reconciliation and arbitration” services, which aim primarily to maintain industrial peace.

To keep the resistance to the state’s “financial manoeuvre” (*manovra finanziaria*) as limited as possible, the Berlusconi government has said it will ensure the cuts would be “socially balanced”. For example, top salaries of more than €90,000 are to be reduced by 5 percent; and by 10 percent if they exceed €150,000 a year. The government has also promised a more rigorous prosecution of tax evaders.

Such announcements are a transparent bid to appease the public. They are meant to indicate that the rich and the speculators, who are to blame for the crisis, will also have to pay. In reality, the Italian government is attacking the working class in the same draconian way as in Greece, Ireland or Spain. To defend the profits of the banks and speculators, working people face massive cuts.

Growing social protests

There have been angry protests ever since the government laid its austerity measures on the table. On May 28, when the new cuts programme became known, protests erupted outside

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the gates of the prefectures, the Bank of Italy, and regional bank branches.

On June 1, magistrates at the Auditor General's Office decided unanimously to go on strike. They were protesting against financial cuts in the justice system, mainly affecting the salaries of younger judicial officials. Doctors also want to strike and defend themselves against being made to pay for the fact that contracts amounting to €1.7 billion are being cut.

Teachers and school technical assistants are also ready to fight. On June 3 and 4, pupils, teachers and parents symbolically occupied education offices in all parts of the country, to protest against the austerity package and to call for the continued employment of temporary teachers. Two years ago, a general strike against educational reforms paralysed the school system for weeks.

On June 12, there will be a national demonstration in Rome called by Italy's largest union, CGIL, which has 5 million members. The alternative trade unions COBAS have already called a national rally in Rome for Saturday, June 5.

The unions are clearly seeking to break the protests up into individual actions to keep them under control. The CGIL has only scheduled a four-hour general strike for July 25. According to CGIL leader Guglielmo Epifani, this is to "put pressure on the government so that this unjust austerity programme is changed."

At the CGIL national congress held in early May, Epifani delivered a speech on the "tragedy of Greece" and the "attacks on the euro," in which he made suggestions to the European politicians about how they could better handle the crisis. For example, to save the euro, he suggested the establishment of a European Monetary Fund and a European ratings agency.

On the other hand, a motion tabled by Gianni Rinaldini, the leader of the metalworkers' union FIOM, was rejected at the CGIL congress. Rinaldini had called for a "permanent, comprehensive defensive struggle by workers". Clearly, the FIOM leadership fears it could lose the factory workers at Fiat or Alfa Romeo, who are increasingly coming into conflict with the old union leadership.

In recent years, growing disillusionment with the traditional trade unions CGIL, CISL and UIL has especially benefited the so-called rank-and-file trade unions COBAS (Comitati di Base) and USB (Unione Sindacale di Base).

The COBAS are trying to capture those layers that are turning away from the traditional trade unions, and so fill the vacuum that is created. For example, the unions gained influence in the 1992-1993 "Bulloni" (screws) affair, when metal workers threw screws and nuts at bureaucrats at several meetings after they had agreed to the abolition of the sliding pay scale (*scala mobile*).

Today, all sorts of ex-radical protesters, ex-lefts, Maoists, and anarchists can be found in the ranks of the COBAS, which also include supporters of the Pabloite United Secretariat. For example, the SinCOBAS coordinator at Alfa Romeo was for a long period the Rifondazione Senator Gigi Malabarba, a member of the United Secretariat and Sinistra Critica. Sinistra Critica maintains close relations with the French NPA and Greek Antarsya (Anti-Capitalist Left), whose spokesperson Eleni Lalou was invited to an event in Rome two weeks ago.

Break with the unions

A consistent struggle against the austerity measures requires a radical break with the unions and all their defenders among the middle-class ex-lefts. All those parties that belong to the "left" or the "far left" share two key traits that make them useful as an auxiliary force of the bourgeoisie.

First, they all demand that the social struggle must be led by the unions—just at the moment when workers are starting to break from the old bureaucratic apparatus. Second, they concentrate their fire solely on the hated Berlusconi government, and are willing to help the "centre-left" form a new governing majority to get rid of Berlusconi.

Berlusconi is a particularly corrupt bourgeois politician, who is able to stir up national differences and racism to divert attention from social tensions.

However, even if Berlusconi were replaced by a new government under the leadership of the Democratic Party (DP), this would not mean the end of the social cuts—quite the contrary. This was proved in Italy by the Prodi government, whose own unpopular austerity measures paved the way for Berlusconi to return to power. This is further shown by the Social Democratic governments of Papandreou in Greece, Zapatero in Spain and Sócrates in Portugal, who are all pushing through brutal austerity measures.

As long as workers do not break with the Social Democrats, the trade unions and their ex-left appendages, they will remain subject to the dictates of the banks. To really fight against social attacks, Italian workers must unite with their class brothers and sisters throughout Europe and worldwide. To this end, it is necessary to build a section of the International Committee of the Fourth International.

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