

Aluminum giant Alcoa closes plant in Sardinia

Mike Jobson
26 January 2012

On January 9, the aluminum multinational Alcoa announced the closure of its primary aluminum plant in Portovesme (Sardinia, Italy) and a temporary reduction in its workforce of its two other plants in Europe, in the Spanish cities of La Coruña and Aviles, in the first half of 2012.

On January 17, workers at the plant mounted a protest against the plant closure at the factory gate, demanding the maintenance of operations at the plant. A series of protests has ensued, with residents of local communities and students from the town of Carbonia marching in solidarity with Alcoa workers on January 24.

If confirmed, the closure would be a blow to the already devastated Sardinian economy. At stake are 500 workers of the same Alcoa and another 500 in subsidiary industries. The Portovesme, La Coruña and Aviles plants produce 150,000, 87,000, and 93,000 tons of aluminum, respectively. The week before, Alcoa announced the permanent closure of its foundry in Tennessee and two facilities in Texas.

Alcoa made profits of \$18.4 and \$21 billion respectively in 2009 and 2010. Nonetheless, citing lower demand due to the financial crisis, it is proceeding with the closure of its plants. The closures are part of a planned reduction of Alcoa's production capacity by 531,000 tons, or 12 percent of its total production capacity.

"In today's rapidly changing global economy, it is imperative to respond quickly to maintain competitiveness. This decision was made after thorough analysis of all the possible alternatives. We are committed to working to find solutions that will minimize the impact on these communities and our workers there," said Chris Ayers, Alcoa's executive vice president.

In fact, Alcoa's layoffs and plant closures are devastating working class communities, as the multinational shifts production to wherever it finds the most exploited labor. Since 2008, Alcoa has opened a plant in Karahnjúkar, Iceland, where it enjoys very favorable conditions: electricity costs are low, and the 700 mostly immigrant workers who work there are paid only \$6 per hour.

Alcoa has especially created a village of container-houses for its workers and their families, where they live isolated and spend their meager wages in company shops and bars run by Alcoa. By a bitter irony of history, this recalls conditions in Sardinian mines in the 1800s.

In February 2010, the president of Alcoa, the multimillionaire Klaus Kleinfeld, explained his company's priorities as follows: "Since the summer of 2008, Alcoa has endured what is arguably the worst economic downturn in recent memory. Our management and employees have faced what seems like more than our share of challenges and urgent business priorities. It is during these times—when the pressures of the business are most intense—that we at Alcoa re-emphasize our commitment to our core values."

In fact, Alcoa's "core values" are ensuring that management's multimillion profits are protected by carrying out devastating attacks on the wages and living standards of its workforce. In 2010, Kleinfeld pocketed \$12,348,720—earning \$1,400,000 in basic salary, and the rest through bonuses and dividends. The bonuses are acquired through attacks on workers' living standards and restructurings, aimed at destroying the jobs to make the company more "competitive."

In discussions with the union bureaucracy, Democratic Party (PD) leader Pier Luigi Bersani said

on December 17 that he might intervene to ask for financial help from the regime newly installed prime minister, Mario Monti. Bersani is promoting proposals by various union representatives and from the governor of Sardinia, Ugo Cappellacci.

Workers can place no confidence in appeals to the Monti government, an unelected regime installed by the banks last November to carry out deep cuts in labor law protections and social spending against the working class in Italy.

The intervention of Bersani and the unions is motivated principally by fear that protests in Sardinia could escalate beyond the control of the union bureaucracy and bourgeois “left” parties like the PD. The unions, which in recent years have pushed through deep attacks against Fiat workers, are currently negotiating attacks on labor law protections and deregulation proposals with the Monti government, over mass opposition (see also “Italian truckers, taxi drivers mount national strike against social cuts”).

Portovesme workers can only defend their jobs and living standards by organizing their own struggle independently of these organizations—as part of an international struggle of Alcoa workers and a broader political struggle against the Monti government and similar right-wing governments in Spain and beyond. They must oppose all attempts to hijack such a struggle by the union bureaucracy’s defenders among the Stalinist parties.

Alessandro Corona, coordinator of the Sardinian section of the Party of Italian Communists (PdCI), has tried to strike a militant pose in response to the plant closure: “To not respect the agreements is a very serious matter, to persist with arrogance and lack of respect for all the Sardinians is emblematic of vulgar capitalism and bad faith. The right thing to do would be to expropriate the factory from these reckless people. The factory should be acquired without compensation by the Sardinia Region and then be made available at no cost of acquisition to capable and serious entrepreneurs.”

The purpose of this speech is to lend a slightly “militant” tone to the proposals of the unions and of the PD, and head off a militant, politically independent struggle by the workers.

Attacking Alcoa’s plant closures as “vulgar capitalism” is misleading: this is the *modus operandi* of

all capitalist firms, not only of Alcoa, in the current economic crisis. Especially grotesque is Corona’s idea of taking the Portovesme plant from Alcoa and giving it to “serious and capable” entrepreneurs—a rare breed of capitalist. This simply highlights the PdCI’s defense of private enterprise and its fear of raising demands for public ownership of the means of production.

The PdCI, to which Corona belongs, played an important role in the 2006-2008 PD government of Prime Minister Romano Prodi—who, in addition to supporting the imperialist occupation of Afghanistan, helped cut pensions by raising the retirement age. In the Prodi government, the prestigious position of speaker of the house (*Presidente della Camera*) was occupied by Fausto Bertinotti, the secretary of the ex-Stalinist *Rifondazione Comunista*.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact