

Italian truckers strike against austerity closes Fiat plants

David Walsh
17 March 2012

Ongoing protests by Italian truck drivers against the government's austerity measures and the price of fuel have cut production at automaker Fiat's plants. The truckers' protests first erupted in late January, when they opposed a fuel tax increase passed as part of an austerity budget by the government of Prime Minister Mario Monti. Italy has the highest fuel prices in Europe.

The most recent strike began some three weeks ago.

Fiat management announced March 16 that a job action by car haulers had forced the closure of several of the company's plants. "Yesterday, the strike resulted in the closure of the Melfi plant and today it has brought about the closure of two other sites," the company announced. "Meanwhile, we have two plants on technical stoppage [for retooling], which means that five of our facilities are closed."

Four of the affected plants, including the one in Melfi, are in southern Italy. The other is in Turin. One of the facilities, Fiat's Pomigliano d'Arco plant near Naples, is producing the new version of the automaker's top-selling Panda hatchback. Management, with the help of the unions, only recently forced through major concessions at the plant. In return for "flexibility" on work rules, Fiat moved some production back to Italy from Poland.

Fiat claims that the strike has already resulted in a loss of about 20,000 units and warned that it will be "very difficult to recover it during the year." The giant automaker asserts that the damage caused by the truckers' action will reduce its market share in Italy and abroad by some 10 percent. Fiat and Chrysler had a European market share of 7.2 percent in February, down from 7.8 percent the month before, but up from 6.9 percent a year ago.

The company is making threatening noises aimed at

pressuring the Monti government to take action against the truckers. "The Italian automotive sector, already suffering strongly, is now being penalized again," Fiat said. "It is very important that the situation resolves itself quickly."

The auto unions are shamelessly joining in the campaign against the truck drivers. The Associated Press cited the comments of Giuseppe Terracciano, head of the Fim-Cisl (Federation of Italian Metalworkers-Italian Confederation of Trade Unions) in Naples: "There is already a dramatic market and if we don't produce cars, the consequences will fall on workers, who won't get salaries."

In the late January protest, truckers parked their rigs across highways, producing at least 60 major blockades around Italian cities. They were provoked into action by a fuel tax increase that pushed gas prices up 8.2 cents per liter and diesel prices up 11.2 cents.

As of late February, when the most recent truckers' strike broke out, the cost of unleaded gas was rising by an average of 4.9 percent a month.

The Italian news service, ANSA, reported March 13 that fuel prices had hit an all-time high, "costing drivers as much as €1.96 [\$2.58] per liter to fill up at the pump," or more than \$10 a gallon. The farmers union Coldiretti pointed out that the average cost of a tank of fuel in Italy had surpassed €91, or \$120, a 19 percent increase over a year earlier. Diesel prices are also nearing the €2 a liter mark.

ANSA noted, "Consumers are now paying more for a liter of petrol than they are for a kilo of oranges, a kilo of pasta or a liter of fresh milk... The Italian economy is particularly sensitive to fuel costs since 88 percent of commercial transport is by road."

The federation of gas station managers recently noted

that only a year ago Italy was in tenth position among European Union countries in terms of gas prices. Italy's public transportation system is among the least developed in Europe.

At the time of the January protests, as the *World Socialist Web Site* noted, "Trasportounito, the truckers' union, was stunned by the scale of the unauthorized strike that rapidly spread throughout Italy. Its general secretary, Maurizio Longo, said: 'The massive participation in the national work stoppage, exceeding all our expectations, shows the gravity of the current crisis. Discontent is real and palpable for companies and families of truckers who are fighting for survival.'"

Fiat management is attempting to use the current crisis, including the truckers strike, to extract more concessions from the government and the auto unions. Fiat Chief Executive Sergio Marchionne has repeatedly threatened to close Fiat facilities in Italy if the company cannot be "globally competitive," i.e., if workers' wages and benefits are not slashed. As the BBC reports, "But he [Marchionne] has also talked about the possibility of production being moved to the US and Canada, where Fiat's alliance partner Chrysler has plenty of spare capacity in its factories."

ANSA notes there is "great concern in Italy, especially among unions, that Fiat may renege on its 20-billion-euro investment plan for the country and may even shut down its Pomigliano plant near Naples and historic Mirafiori factory in Turin."

Marchionne has asserted that Fiat has the opportunity to use its Italian plants to meet the growing demand for Chrysler products in the US. To make such exports feasible, he argues, Italian production costs have to be lowered, and this means ensuring the plants can be utilized "in full and flexible capacity." Otherwise, he warns, "we will have to withdraw from two of our five operating plants."

On Friday, Marchionne, along with Fiat Chairman John Elkann, met with Prime Minister Monti and publicly reiterated a commitment to invest in auto production in Italy, but continued to insist on the need to introduce greater labor flexibility. They also no doubt discussed the truckers strike and how to end it.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact