PEDAGOGY AND POLITICS IN THE ITALIAN UNION MOVEMENT:
A TALE OF ADMINISTRATIVE FAILURE

Richard M. Locke and Lucio Bacarro

June 1994

WP#: 3701-94-BPS
Pedagogy and Politics in the Italian Union Movement:

A Tale of Administrative Failure

Richard M. Locke

Lucio Baccaro

Massachusetts Institute of Technology

June 24, 1994
1. Introduction

Italian unions emerged from the Hot Autumn of 1969 as politically powerful and strategically innovative organizations. Union strength and initiative were expressed both at the shop floor, where unions regulated production, internal mobility, and dismissals, and at the national level where they succeeded in promoting social reforms and protecting workers' wages against inflation.

This is no longer the case. Following their defeat in several highly visible strikes and the resurgence of partisan divisions among the three confederations, the unions lost considerable power and management regained initiative. As individual firms and entire industries restructured, the unions appeared unable to negotiate, let alone protect their membership against, the consequences of the reorganization. With the emergence of hundreds of thousands of redundant industrial workers, union membership among this constituency declined, as did their bargaining power in the political arena. Faced with declining political and economic power and continuous infighting, the unions lost both their strategic capacity and their reformist spirit. As a result, previous allies of the labor movement began to defect and the unions found themselves increasingly isolated. How do we account for this shift in the political-economic fortunes of the Italian unions?

In contrast to alternative explanations which emphasize either the inevitability of union
decline as a result of structural shifts in the economy or the particular weaknesses of Italian
unions due to Italy's "backward" industrial relations system, we argue that the current difficulties
facing Italian labor are primarily the product of their own "administrative failure".\(^2\) In other
words, a series of strategic errors and misguided organizational reforms hindered the Italian
unions from maintaining their own internal research and training capacities -- capacities which
had previously permitted them to analyze, monitor, and negotiate various micro-level
developments in the economy. As a result, when industrial change rendered the unions' strategies ineffective and political shifts weakened their ties to previously allied groups, the unions suddenly found themselves incapable of formulating (let alone implementing) innovative responses to the political-economic changes underway.

Through an historical case study of Italy's Catholic-inspired labor confederation, the
Confederazione Italiana Sindacati Lavoratori (CISL), this paper seeks to illustrate the importance
of internal administrative capacities for the organizational success of labor unions. This paper
argues that recent shifts in the strategic orientation of the CISL led the union to neglect its own
internal staff development and research activities -- activities that the CISL had done especially
well in the 1950s and 1960s. Through the Centro Studi CISL, the union's internal training
school located in Florence, the CISL had been able to develop a cohort of young, more
independent and reformist leaders with technical and professional skills in collective bargaining
and work organization. These leaders were instrumental in fostering a redefinition of attitudes,

\(^2\) For more on the concept of "administrative failure", see Michael Piore, "Administrative Failure: An Hypothesis or the Decline of the American Labor Movement," Center for International Studies Working Paper, MIT, (Fall 1989).
policies, and strategies within the CISL, transforming the organization from a mere appendage of the ruling Christian Democratic Party in the early 1950s to a well organized, innovative and militant union by the late 1960s. In fact, many of the key industrial relations innovations adopted in Italy during these years were promoted by the CISL.

However, by the late-1970s, the Centro Studi's strategic role within the union confederation began to change. Whereas in the 1950s and 1960s its curriculum had focused on technical issues and shop floor concerns, following the CISL's strategic shift towards participation in national policy-making, the courses organized by the Centro Studi emphasized political and macroeconomic issues instead. Moreover, in the late 1970s-early 1980s, the CISL increasingly relied on outside "experts" to help it develop union strategies. These outside intellectuals gradually took over most of the research activities that had been done previously at the Centro Studi. The union's training budget was also cut in these years. With fewer resources and no clear mission, the Centro Studi languished.

In the 1980s, however, the Italian economy underwent a massive wave of industrial restructuring. To respond to these challenges, the CISL sought to alter its strategy once again. Yet, because it had failed to maintain the Centro Studi's role of training union leaders with expertise in the organization of work, new technologies, compensation mechanisms and bargaining skills, the union found itself lacking the core competences necessary to confront the challenges it faced. As a result, like other labor confederations in Italy and throughout the West, the CISL -- which once seemed perfectly positioned to negotiate industrial change -- now found itself plagued by strategic uncertainty and organizational weakness.

In what follows we develop this argument by tracing the strategic and organizational
evolution of the CISL and illustrating the key role played by the Centro Studi. The remainder of this essay is divided into four parts. First, we briefly describe the key features of the Italian industrial relations system and trace its evolution over the postwar era. Second, we assess alternative explanations for the decline of Italian unions before elaborating our argument about administrative failure. The third section revisits the Italian case by analyzing in greater detail the case of the CISL. We conclude by pondering the more general lessons this case study may raise for the study of labor politics in the advanced industrial nations.

2. A Brief Synopsis of Italian Industrial Relations

The Italian labor movement emerged from the destruction of twenty years of fascism and the Second World War as a highly politicized, centralized and unified organization called the Confederazione Generale Italiana del Lavoro (CGIL). The union movement, like Italy's first postwar governments, consisted of a broad coalition of anti-fascist resistance forces: Communist, Socialist, Catholic, Republican and Actionist currents coexisted within the trade union confederation.

The union movement was fostered by these political parties. Because the postwar labor movement had to rebuild more or less from scratch, union structures at all levels were creations

---


4 The Partito d'Azione (Action Party) was a small party with a social-liberal orientation. The Italian Republican Party is a small centrist party which enjoyed significant influence in Italian politics, especially over economic affairs, throughout much of the postwar period. For more on the Italian party system, see Paolo Farneti, The Italian Party System, (London: Frances Pinter, 1985).
of the central confederations in Rome. Rank-and-file workers and pre-fascist trade unionists had little to do with the reconstruction of the Italian union movement. Indeed, many of the CGIL’s union leaders were recruited directly from political parties, often having little previous union experience.⁵

With the advent of the Cold War, both government and labor coalitions dissolved. In 1950 the Catholic current broke away from the CGIL and established itself as the Confederazione Italiana dei Sindacati Lavoratori (CISL) while the Republican and Social-Democratic trade union leaders set up the Unione Italiana dei Lavoratori (UIL). Throughout the 1950s and 1960s, the politics and strategies of the three union confederations were shaped by their political affiliations and rivalries.⁶

Union divisiveness and weakness were exacerbated by business and government policy. The 1950s were years in which the conservative wing of the ruling Christian Democratic Party predominated. As a result, very few of the industrial relations reforms stipulated by the Constitution were enacted. For example, Italian labor had no formal legal protection. Because the Christian Democratic government delayed establishing the Constitutional Court until the late 1950s, what labor law existed (i.e., the "urbanization law" which required workers to demonstrate proof of employment before they could change residence) were all inherited from


the fascist regime. Moreover, because many of the judges, prefects and magistrates dealing with labor issues were trained during the fascist era, they often interpreted legal doctrine to the disadvantage of workers.

Business took advantage of this situation to circumvent labor market legislation and to purge their factories of union activists. These years are considered the "golden age" of Confindustria (Italy's main business association), since business was all-powerful and was able to use its power to pursue a low wage, export-oriented strategy. This strategy not only generated enormous profits for individual firms, but also created the conditions for Italy's postwar economic "miracle" of the late 1950s and early 1960s. For instance, during these years Confindustria insisted on highly centralized collective bargaining since this worked to the advantage of business. Confindustria would set wages and other working conditions to the most backward and unproductive sectors of the economy (i.e., agriculture) and then generalize these terms to all of industry. Because unions were themselves highly centralized and also because

---


they were weak in both the labor market and the political arena\textsuperscript{11}, they were unable to resist this low-cost, labor sweating strategy.\textsuperscript{12}

All of this would change with the Hot Autumn, which overturned almost all of the social, political and economic patterns established in the postwar period. For example, increased collaboration among the three confederations led to a form of reunification in 1972 with the establishment of the Federazione Unitaria CGIL-CISL-UIL (Unitary Federation CGIL-CISL-UIL).\textsuperscript{13} Each confederation has both vertical and horizontal structures. The vertical structures are based on industry and branches of industry. Thus, each confederation has a national

\textsuperscript{11} The late 1940s had seen the dismantling of the Consigli di Gestione which had been established soon after the war. The Consigli di Gestione were (strongly politicized) plant-level worker representation structures aimed at co-determination, if not self-determination. For more on this, see Liliana Lanzardo, "I Consigli di Gestione nella strategia della collaborazione," in Annali della Fondazione Gian Giacomo Feltrinelli. Problemi del movimento sindacale in Italia, 1943-73, op. cit.; Giorgio Amendola, "Lotta di classe e sviluppo economico dopo la liberazione," in Tendenze del capitalismo italiano. Volume 1, (Rome: Editori Riuniti, 1962).


\textsuperscript{13} Within the Federazione Unitaria CGIL-CISL-UIL, each confederation retained its autonomy at all levels of the union hierarchy, but new joint structures aimed at coordinating decisions among the existing organizations were also created. On these issues, see Peter Lange and Maurizio Vannicelli, "Strategy Under Stress: The Italian Union Movement and the Italian Crisis in Developmental Perspective," in Peter Lange, George Ross and Maurizio Vannicelli, Unions, Change and Crisis, (Boston: George Allen and Unwin, 1982): 95-206. The federation dissolved in 1984, due to disagreements between the Communists in the CGIL and the rest of the labor movement over a referendum sponsored by the Italian Communist Party abrogating a government decree revising the scala mobile (system of wage indexation). Since then, the three confederations have continued to cooperate in contract negotiations notwithstanding periodic antagonism over issues like flexible work hours, internal mobility and contingent compensation schemes.
chemical workers, textile workers, and metal workers federation. The three confederations are also organized geographically, in what are called horizontal structures (for example, the Camere del Lavoro of Turin and Milan). During the 1950s, when the union movement was fragmented, weak, and politically isolated, these horizontal structures, especially the confederations, were predominant. With the increase in collective bargaining at the industry and firm levels during the 1960s, however, the national industrial unions became ascendant.\(^4\)

Following the Hot Autumn struggles and the federative pact in 1972, factory councils -- elected by and composed of union and non-union workers alike -- were established at the shop floor.\(^5\) These became the official workplace organs, replacing the earlier Commissioni Interne (factory grievance committees).\(^6\)

The organizational structure of the Italian union movement reflects its tumultuous and uncoordinated development. It also maps the key sources of dissent and tension that existed within the labor movement over how best to respond to the economic crisis of the 1970s. For example, over the course of the decade, different levels of the union hierarchy competed for control over collective bargaining. While the central confederations attempted to negotiate peak-level agreements over social reforms and incomes policies, industry unions resisted these agreements. They saw them as a challenge to the power and autonomy they had accumulated.


\(^{15}\) For more on the genesis of the Consigli di Fabbrica, see Ida Regalia, "Rappresentanza operaia e sindacato: il mutamento di un sistema di relazioni industriali", in Alessandro Pizzorno et al., Lotte operaie e sindacato: il ciclo 1968-72 in Italy, op. cit.

\(^{16}\) For an interesting historical reconstruction of the Commissioni Interne, see Guido Baglioni, "L'istituto della Commissione Interna e la questione della rappresentanza dei lavoratori nei luoghi di lavoro," in Annuario del Centro Studi CISL, Volume 8, (1968-69): 35-64.
over the years through negotiating the contratti collettivi nazionali di lavoro (CCNLs), triennial industry-wide collective bargaining agreements over minimum wages, work hours, and job classification schemes. Likewise, the factory councils insisted on revising or renegotiating a variety of clauses already covered in these same national industry agreements in order to enhance their own organizational standing.

Since the roles and responsibilities of the different union structures in collective bargaining were never clearly demarcated nor fully institutionalized, the various levels of the union hierarchy proved unable to develop a clear, mutually agreeable division of labor. As each level of the union fought to protect its own autonomy and power, the situation stagnated and the union became paralyzed by internal power struggles. Agreements concluded between labor and management at one level were subsequently challenged and renegotiated at another.17 Moreover, wage drift developed as different parts of the union movement competed over who could deliver the best bargain for the workers.18

Inconsistent business and government policies further aggravated this already precarious situation. At first, Confindustria reacted to the Hot Autumn through traditional, repressive means (e.g., lockouts and disciplining union activists). Yet, when it became obvious that these measures would no longer work in the altered conditions of the 1970s, internal struggles within the business organization erupted over how best to respond to the new balance of power between

---

17 For an example of how this phenomenon manifested itself at Fiat, see Tom Dealessandri and Maurizio Magnabosco, Contrattare alla Fiat, (Rome: Edizioni Lavoro, 1987).

labor and management. While one group of entrepreneurs associated with the so-called Pirelli Commission encouraged negotiations with labor and the construction of a new, more stable system of industrial relations, other more traditional business leaders resisted negotiations and used their influence within the association to block proposed reforms. The government was also divided. Some advocated a harsh deflation which they believed would discipline the workforce as it had in the early 1960s. Others sought to create new institutions and arrangements capable of reconciling labor's demands with continued economic growth and perhaps even greater economic stability.

These debates took on greater significance when it became apparent that Italy's crisis of industrial relations was contributing to its economic woes. During these years, Italy experienced among the highest inflation and unemployment rates of all OECD nations. Turbulent industrial relations accentuated these problems. Italy witnessed more strikes and strike days than just about all other industrialized democracies. Moreover, wage militancy was especially pronounced in Italy. Between 1973 and 1980, real hourly wage rates in manufacturing rose 22 percent in Italy, seven percent in West Germany, nine percent in the United States and 11 percent in Japan. As a result, labor costs per unit of output rose more in Italy than in its foreign

---


20 According to David R. Cameron, "Social Democracy, Corporatism, Labor Quiescence, and the Representation of Economic Interest in Advanced Industrial Societies," in Order and Conflict in Contemporary Capitalism, John H. Goldthorpe (ed.), (Oxford: Clarendon Press, 1984), Italy had the worst "misery index" (the combination of inflation and unemployment) of all advanced industrial nations.
competitors. In the mid-1970s they rose an average of 19.4 percent in Italy as compared to 11.9 percent in France and 5.5 percent in West Germany. In sum, Italy's political-economic troubles were compounded by (some would later argue caused by) the country's highly volatile industrial relations system.

The Shift Towards Concertation

Due to this potentially explosive situation, the Italian unions began to rethink their strategy and develop new arrangements aimed at both reducing inflation and enhancing their participation in national economic policy. As Italy's economic crisis worsened, and the unions' Reform strategy floundered, organized labor engaged in two separate experiments in concertation. The first, commonly referred to as the Federazione Unitaria's EUR-policy, involved a trade-off between wage moderation and greater labor mobility in return for influence over industrial and labor-market policies aimed at restoring economic growth and sustaining employment. The second took place in 1983-84 when the unions negotiated tripartite agreements

---


23 The Reform Strategy refers to the unions' attempt at using the power and legitimation acquired during and after the Hot Autumn to bring about social reforms. For more on the Reform Strategy, see Lange and Vannicelli, "Strategy Under Stress: The Italian Union Movement and the Italian Crisis in Developmental Perspective," op. cit.: 125-142.
over the scala mobile system of wage indezation. Both experiences were clearly inspired by, perhaps even modelled after, seemingly successful neocorporatist arrangements in other nations.

Prodded by the collapse of its prior strategies and by the Italian Communist Party's support of austerity, the Italian union movement began moderating its wage demands in return for the right to bargain over private investment decisions in 1976. In 1977 the confederations signed an agreement with Confindustria that revised seniority bonuses and severance pays, eliminated seven paid holidays, gave management greater control over absenteeism, and increased labor mobility within plants and firms. By 1978 the Federazione CGIL-CISL-UIL officially adopted an austerity policy in the form of the EUR document.

This document proclaimed that the unions would exercise self-restraint in both plant- and industry-wide bargaining. Demands for investment and information about future company plans would replace claims for higher wages and better working conditions. In return for this moderation, the unions demanded substantial changes in the government’s tax, energy, and agricultural policies; a reform of state finances; and a legislative package concerning industrial restructuring and reconversion (Law 675) that included youth unemployment guarantees, vocational training initiatives, and pension reform.

These rights were aimed at reducing information asymmetries regarding the introduction of new technology and the reorganization of work. These demands were included in certain 1976 national contracts (i.e., metalworkers) but were for the most part never implemented. For more on this experiment, see Tiziano Treu and Serafino Negrelli, eds., I diritti di informazione nell'impresa, (Bologna: Il Mulino, 1983).

For more on union choices in this period, see Marino Regini, I dilemmi del sindacato, (Bologna: Il Mulino, 1981).

The second attempt at concertation took place in 1983-84\(^{27}\) in the form of tripartite labor agreements aimed at revising the *scala mobile*.\(^{28}\) Due to Italy’s high inflation rates, the *scala mobile* had gained massive weight in the determination of wages.\(^{29}\) By the early 1980s it was estimated that the *scala mobile* accounted for over 60 percent of annual wage increases. This not only caused problems for management, which had to pay for these increases, but also for the unions whose control over wage determination had been severely reduced by indexation. The government, too, wanted a reform of this system since it ostensibly blocked all government measures aimed at fighting inflation.

---

\(^{27}\) For a comparison between these two attempts at concertation, see Marino Regini, "Relazioni industriali e sistema politico: l’evoluzione recente e le prospettive degli anni ’80," in *Il teorema sindacale. Flessibilità e competizione nelle relazioni industriali*, Mimmo Carrieri and Paolo Perulli (eds.), (Bologna: Il Mulino, 1985). In the same book, see also Mimmo Carrieri, "Accordi non conclusi, accordi non efficaci, accordi non voluti. La logica negoziale dei governi nelle relazioni industriali".

\(^{28}\) The 1983-84 accords were based on the assumption that reducing inflation would relaunch employment. For a theoretical justification of this assumption, see Ezio Tarantelli, *Economia politica del lavoro*, (Turin: UTET, 1986). However, between 1983 and 1984 employment decreased 5.1%. On the results achieved by incomes policies, see Stefano Patriarca, "Caratteristiche e risultati della politica dei redditi in Italia," in *Il teorema sindacale. Flessibilità e competizione nelle relazioni industriali italiane*, Mimmo Carrieri and Paolo Perulli, *op. cit.*: 66-69.

\(^{29}\) The *scala mobile* was a cost-of-living adjustment mechanism introduced soon after the second world war to protect workers against inflation. In 1975 it was reformed through the introduction of the *punto unico di contiguenza*: for every 1% increase in a union-controlled price index, equal sums for all employees would be paid, independent of skill level or income. As Italy experienced two-digit inflation in the late 1970s-early 1980s, these egalitarian adjustments provided full protection of wages for workers in the lower job-classifications but eroded the real wages of higher skilled workers. As a result, wage differentials were drastically reduced. For more on the consequences of this egalitarian union policy, see Aris Accornero, *La parabola del sindacato*, (Bologna: Il Mulino, 1992). In July 1992 the *scala mobile* was abolished by an accord signed by all confederations. For more on the end of the *scala mobile*, see Richard Locke, "Eppur si tocca: l’abolizione della scala mobile," in *Politica in Italia. Volume 9*, Carol Mershon and Gianfranco Pasquino, eds., (Bologna: Il Mulino, 1994).
Although bargaining over this agreement took place at separate tables, with labor leaders in one room and business representatives in another and government officials racing back and forth between them, all three actors signed the January 22, 1983 agreement. The agreement eliminated bracket creep, improved family allowances, established the Fondo di Solidarieta' (Solidarity Fund) to raise money for investment, reduced coverage provided by wage indexation by 15%, and banned plant-level bargaining for 18 months. Disagreements over certain clauses of the agreement subsequently broke out between labor and management and the agreement was not automatically renewed the following year. As a result, the government presented its own proposal to fix wage indexation for 1984, regardless of the actual rate of inflation, and the Communist component of the CGIL used its majority on the CGIL Executive Committee to reject the agreement's renewal. The government implemented this policy through an executive order and the unions once again split along partisan lines. The Socialists in the CGIL, and the CISL and UIL, all supported the government's position. The rest of the CGIL opposed it.

After that, tripartite collective agreements ceased for the rest of the 1980s. The three union confederations continued to cooperate informally at the industry and company levels, although growing differences among them persevered.

---

30 For more details of the agreement, see Mirian Golden, Labor Divided, op. cit.: 82-84.

31 In 1985 the Communist Party and the CGIL promoted a referendum against the modification of the scala mobile, but it was defeated. For more on these issues, see Peter Lange, "The End of an Era: The Wage Indexation Referendum of 1985", in Italian Politics: A Review. Volume I, Robert Leonardi and Raffaella Y. Nanetti (eds.), (London: Frances Pinter, 1986).

32 On the demise of neo-corporatist experiments in the second half of the 1980s various interpretations have been advanced: some argue that concertation had lost momentum after the failure of the 1977-79 accords (Marino Regini, "Relazioni industriali e sistema politico:
At the same time that this strategic shift towards concertation was being pursued, the Italian unions were also centralizing their organizational structures. This organizational "reform" (referred to as the Riforma di Montesilvano) was formally embraced by the Federazione CGIL-CISL-UIL in 1979, but had already begun a few years before, with the 1975 reform of the scala mobile which severely curtailed the scope of decentralized wage bargaining.

The initial goals of the Reform of Montesilvano were quite different from those that were eventually achieved. At the beginning, the reform sought to decentralize union structures to better match recent changes in the administrative structure of the Italian state.33 New zonal, departmental and regional confederal union structures were to replace the old provincial unions. At the company and plant levels, the Reform envisaged the consolidation and institutionalization of the Factory Councils, and their extension to the service sector, where they had not spontaneously emerged. Figure 1 depicts the organization of the Italian union movement after the Reform of Montesilvano. Beside creating new structures aimed at inter-industry coordination of union activity, the Reform also mandated the merging of several national industry unions,

---

l'evoluzione recente e le prospettive degli anni '80," op. cit.); others stress the institutional weaknesses of the Italian industrial relation system as a whole (Gian Primo Cella, "Criteria of regulation in Italian industrial relations: a case of weak institutions," in State, Market and Social Regulation: New Perspective on Italy, Peter Lange and Marino Regini, (New York: Cambridge University Press, 1989); others the lack of resources necessary to support this political exchange (Gino Giugni, "Concertazione sociale e sistema politico in Italia," Giornale di diritto del lavoro e relazioni industriali, 25, 1985); still others emphasize the strong opposition to these policies within the unions themselves (see for example, Pietro Kemeny, "Le politiche di concertazione: storia di una rinuncia," Prospettiva Sindacale, 77, XXI, Sept. 1990.

especially in the transportation and public sectors.  

Although there had been differences among the three Confederations on specific aspects of the Reform, the project was essentially unitary. Through organizational decentralization and the encouragement of mass participation, the unions sought to strengthen their "political role" in Italian society. By merging together various smaller industrial unions, the Reform also hoped to block what appeared to be the emergence of more particularistic demands within some of these smaller unions. These demands had previously hindered the development and the implementation of a united union approach to social and political reform.

Notwithstanding these initial intentions, but in line with the unions' strategic shift towards concertation, the Montesilvano Reform resulted instead in a recentralization of the unions' structures. For example, the introduction of departmental union structures was, at best, 

---

34 The CISL, for example, reduced the number of industry federations from 37 to 17, while the CGIL also consolidated its 39 industry federations into 18. For an interesting analysis of the inconsistencies of the organizational reform, see Mario Napoli, "Osservazioni attorno ai rapporti fra relazioni collettive e modelli organizzativi del sindacato", in Prospettiva Sindacale, 63, XVIII, March 1987.

35 The most controversial issue was the role of the departments. The CGIL wanted them to have only a coordination role between the regional and zonal level. The CISL, on the other hand, wanted them to inherit the same powers and responsibilities as the old provincial unions. For more on these differences, see Rinaldo Scheda, Il sindacato che cambia. Intervista sulla riforma organizzativa a cura di Corrado Perna, (Rome: ESI, 1979): in particular pp. 7-48 and 222-229. Interestingly enough, the CISL, which was born as a federation of industry unions, proposed the strengthening of the departmental level, to "consolidate solidarity links above and beyond the industry level". See again Mario Napoli, "Osservazioni attorno ai rapporti tra relazioni collettive e modelli organizzativi del sindacato," op. cit.: p. 198.

Figure 1. Organizational Structure of the Italian Labor Movement after the Reform of Montesilvano

Vertical Structures

Confederal Secretary

Confederal Executive Committee

Confederal Congress

Regional Chambers of Labor

50% Delegates

50% Delegates

National Industry Unions

Regional Industry Unions

Local Industry Unions

Factory Council

Unionized Workers

Non-unionized Workers

Local Chambers of Labor

incomplete.\textsuperscript{37} Moreover, the reform actually weakened the national industry and provincial unions -- two union structures which had become more powerful and autonomous during the late 1960s and 1970s -- by restricting the bargaining power of the former and by reallocating the resources and responsibilities of the latter to the new regional and departmental structures. The confederations hoped that this more centralized structure would provide them with the organizational control and resources necessary to pursue their strategy of concertation.

Again, these anticipated results did not materialize. Since various organizations within the union movement fought hard to protect their autonomy, this organizational "reform" -- ostensibly aimed at rationalizing the unions' structures -- resulted in diluting them instead. For example, at a time of shrinking resources, the various unions significantly increased their staffs (20% by the CGIL, 17% by the CISL).\textsuperscript{38} Within the transportation, health care and education sectors, characterized before the reform by an array of smaller, more professionally-oriented unions with only loose ties to the three major confederations, the impact of this "reform" was even more damaging. In these sectors, workers felt that the central confederations were imposing on them an inappropriate, industrial union model of organization -- one that failed to

\textsuperscript{37} There were essentially three reasons why the introduction of departmental structures was incomplete: i) lack of resources; ii) opposition by the provincial leadership; iii) absence of analogous State and employers' structures. In fact, the departments did not have clear counterparts, both in collective bargaining and at institutional level. For more on these issues, see Alessandro Castegnaro, "La struttura orizzontale del sindacato," in Prospettiva Sindacale, 63, XVIII, March 1987.

\textsuperscript{38} Andrea Gandini, "La divisione del lavoro nel sindacato," Prospettiva Sindacale, 63, XVIII, March 1987: 118.
recognize their particular needs and interests.\textsuperscript{39} Not surprisingly, it was within these same sectors that the Comitati di Base (COBAS) (i.e., new, autonomous employee associations organized to compete against and oppose the policies of the central confederations) emerged a few years later.\textsuperscript{40}

All in all, this effort to promote a "new confederality" within the Italian union movement resulted instead in the squandering of scarce resources and the resurgence of internal divisions. As a result, neither goal of the Montesilvano Reform -- increased union democracy and enhanced organizational capacities necessary for concertation -- were achieved.

While the unions were pursuing a strategy focused on macroeconomic policy, political exchange, and organizational centralization, Italian industry was going through a massive wave of restructuring\textsuperscript{41}. This adjustment process essentially entailed the decentralization of production, the introduction of flexible technologies, and the radical reorganization of work.

\textsuperscript{39} In fact, in these sectors the merging of industry unions met with tremendous internal resistance. For more on the merging of industry unions, see Lino Codara, "Accorpamenti: una decisione difficile. Il faticoso cammino dei nuovi inquadramenti categoriali," Prospettiva Sindacale, 63, XVIII, March 1987.


\textsuperscript{41} For more on industrial restructuring, see Fabrizio Barca and Marco Magnani, L'industria italiana tra capitale e lavoro, (Bologna: Il Mulino, 1989).
As a result of this restructuring process, industrial employment fell\textsuperscript{42}, net real wages and salaries stagnated\textsuperscript{43}, and union membership declined. Union membership, which had doubled between 1969 and 1980\textsuperscript{44}, fell from 49\% to 39.3\% between 1980 and 1990.\textsuperscript{45} Table 1 reports data on union decline among industrial workers.

What the data on unionization decline are unable to express, however, is the strategic confusion of the unions vis-a'-vis industrial restructuring, and their uncertainties regarding issues like work reorganization, the introduction of new technologies, flexible working hours, and pay-for-performance schemes. In some cases local unions played an active and constructive role\textsuperscript{46}, but national unions were unable to consolidate and diffuse these local best practices.

\textsuperscript{42} There had already been a fall in employment in the 1971-77 period. However, in that case the reduction in number of hours worked (3.5\%) had been more than compensated by a reduction in per capita working hours. Instead, between 1981 and 1985 a reduction of 2.9\% in hours worked was coupled with an increase of 0.6\% (1.7\% in 1984-95) of working hours. For more on these issues, see Fabrizio Barca and Marco Magnani, \textit{L'industria italiana tra capitale e lavoro}, Ibid.

\textsuperscript{43} The share of gross profits on value added increased from 26.4\% of 1977 to 34.7\% of 1985, above the highest levels of the 1950s. For more information, see Fabrizio Barca and Marco Magnani, \textit{L'industria italiana tra capitale e lavoro}, Ibid.

\textsuperscript{44} The unionization rate grew from 29.4\% to 49.0\%.

\textsuperscript{45} Two phenomena accompanied the reduction of union members: i) a process of substitution between active and retired workers. Retired workers constituted 15.1\% of the total union membership in 1980 and 38.4\% in 1990; ii) a process of sectorial redistribution between industrial workers and service workers; iii) a (slight) decrease of the weight of Northern areas in total union membership, from 50.4\% to 47.7\% in the 1980-1990 period. For more on current trends in unionization, see Corrado Squarzon, "La sindacalizzazione," in \textit{Le relazioni sindacali in Italia. Rapporto 1990-91}, CESOS, (Rome: Edizioni Lavoro, 1992): pp. 83-93.

\textsuperscript{46} For more on the role of local unions in industrial restructuring, see Richard Locke, "The Resurgence of the Local Union ; Industrial Restructuring and industrial relations in Italy," \textit{Politics and Society}, Vol. 18, No. 3 (1990) : 347-379.
Table 1. CGIL, CISL and UIL: Union Members Among Industrial Workers

<table>
<thead>
<tr>
<th>Year</th>
<th>CGIL</th>
<th>CISL</th>
<th>UIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>1,831,261</td>
<td>1,011,586</td>
<td>480,839</td>
</tr>
<tr>
<td>1981</td>
<td>1,757,954</td>
<td>-4.0%</td>
<td>950,560</td>
</tr>
<tr>
<td>1982</td>
<td>1,695,919</td>
<td>-3.5%</td>
<td>894,287</td>
</tr>
<tr>
<td>1983</td>
<td>1,589,319</td>
<td>-6.3%</td>
<td>845,347</td>
</tr>
<tr>
<td>1984</td>
<td>1,455,263</td>
<td>-8.4%</td>
<td>831,337</td>
</tr>
<tr>
<td>1985</td>
<td>1,463,581</td>
<td>0.6%</td>
<td>730,970</td>
</tr>
<tr>
<td>1986</td>
<td>1,408,096</td>
<td>-3.8%</td>
<td>687,473</td>
</tr>
<tr>
<td>1987</td>
<td>1,374,919</td>
<td>-2.4%</td>
<td>690,721</td>
</tr>
<tr>
<td>1988</td>
<td>1,354,186</td>
<td>-1.5%</td>
<td>720,268</td>
</tr>
<tr>
<td>1989</td>
<td>1,342,570</td>
<td>-0.9%</td>
<td>712,897</td>
</tr>
<tr>
<td>1990</td>
<td>1,336,881</td>
<td>-0.4%</td>
<td>715,517</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-90</td>
<td>-27.0%</td>
</tr>
<tr>
<td>1980-85</td>
<td>-20.1%</td>
</tr>
<tr>
<td>1985-90</td>
<td>-8.7%</td>
</tr>
</tbody>
</table>

Source: Cesos, Le relazioni sindacali in Italia, (Rome: Edizioni Lavoro, various years).

Between the late 1970s and the early 1980s, grass-root union representation structures sank into oblivion. The consolidation and extention of the Factory Councils was never accomplished, although it constituted an important part of the Montesilvano Reform. Nor were precise norms concerning the election and re-election of workers’ representatives and the relations between employee councils and external unions ever established. As a result, the responses given by the Factory Councils to the crisis of the 1980s were increasingly particularistic, thereby rendering the emergence of a unitary union strategy even more difficult to achieve. Faced with industrial restructuring, plant-level activists pursued different policies.

---

47 For more on the decline of the Consigli di Fabbrica, see Ida Regalia, Eletti e abbandonati. Modelli e stili di rappresentanza in fabbrica, (Bologna: Il Mulino, 1984).
based on the degree of support which they enjoyed from the rank and file, on the level of recognition and legitimation accorded to them by management, and, ultimately, on the particular socio-political features of local economies in which they were embedded.48

How do we understand this dramatic shift from unity and strength to organizational and strategic disarray in the Italian labor movement?

3. Alternative Explanations Considered

The traditional literature on the current crisis of Italian labor unions and industrial relations is comprised of two basic schools: one which portrays labor’s problems as part of a more general, secular trend in the political economies of the advanced industrial nations and a second which focuses more on the peculiarities of Italy’s institutional arrangements and their adverse consequences for Italian unions.

The first school portrays labor’s decline as an inevitable, irreversible process resulting from changes in the political attitudes and behaviors, social structures, and the economies of the advanced industrial nations. These accounts emphasize the progressive erosion of traditional industrial settings (i.e., union strongholds) through either the relocation of industry to less organized greenfield sites or due to their replacement by service and/or high-tech firms which employ different types of workers unreceptive to the traditional message of labor unions.49


Linked to this view are more general accounts which stress changes in values and attitudes and hence evolving patterns of interest representation and politics. Changes in the economy have promoted a shift among the newer generations away from "materialist-security" needs (which theorists like Commons and Perlman viewed as central to union organization) and towards "post-materialist" norms stressing self-realization. Thus, not just specific sectors of the workforce but the general population as a whole have evolved in their attitudes at the expense of organized labor. Moreover, "new" social movements composed of "new" social groups which reject the political goals, strategies, and mobilizing styles of "old" interest groups like unions have emerged. These new social movements threaten to out-flank "old" actors like unions which appear unwilling, or perhaps unable, to adapt to the changes underway in society.

The second school of more institutional explanations emphasizes the efficacy (or lack thereof) of certain national arrangements over others. The premise is that there exist different "national systems" of industrial relations, some better than others at adapting to changing political-economic circumstances. According to this view, the crisis of Italian industrial relations is the product of Italy's poorly developed institutional structures. Unlike other European states, Italy does not possess the bureaucratic efficiency, well-organized peak-level business and

---


52 For an example of this view, see Gian Primo Cella, "Criteria of Regulation in Italian Industrial Relations: a Case of Weak Institutions," in *State, Market, and Social Regulation: New Perspectives on Italy*, Peter Lange and Marino Regini (eds.), op. cit.: 167-186.
labor associations, and appropriate political coalition necessary to implement neocorporatist arrangements. As a result, attempts to combat economic crises or adjusting to changing patterns of international competition have failed repeatedly.\footnote{\textsuperscript{53} See Peter J. Katzenstein, \textit{Small States in World Markets}, (Ithaca, N.Y.: Cornell University Press, 1985) for a discussion of the role of corporatist institutions in these nations. For more on Italy's failed attempts at these arrangements, see Marino Regini, "The Conditions for Political Exchange: How Concertation Emerged and Collapsed in Italy and Great Britain," in \textit{Order and Conflict in Contemporary Capitalism}, John H. Goldthorpe (ed.), \textit{op. cit.}}

Although both schools provide interesting insights into the current crisis of labor in the advanced industrial states, they nonetheless are unable to adequately account for the recent reversal of fortunes of Italian unions. For example, research by both American and European scholars indicates that the structural changes underway in all advanced industrial societies account for only a fraction of the decline in union membership, with other, organizational features playing a more important role.\footnote{\textsuperscript{54} See Henry Farber, "The Extent of Unionization in the United States," in Thomas A. Kochan, ed., \textit{Challenges and Choices Facing American Labor}, (Cambridge, MA: MIT Press, 1985); Michael Goldfield, \textit{The Decline of Organized Labor in the United States}, (Chicago: University of Chicago Press, 1987); and Jelle Visser, "The Strengths of Union Movements in Advanced Capitalist Democracies: Organizational Variations," in Marino Regini, ed., \textit{The Future of Labor Movements}, (London: Sage, 1992).} Moreover, labor unions suffered declines in membership and political influence not just in countries like Italy with the "wrong" mix of institutional features but across several advanced industrial nations with radically different political and institutional arrangements.\footnote{\textsuperscript{55} Jelle Visser, \textit{op. cit.}} Finally, both views portray unions as passive objects, subject to the vicissitudes of their political and economic context rather than as well organized actors capable of developing and pursuing their own strategic choices.

The approach developed in this paper focuses instead on the organizational capacities of
the unions themselves and on the politics of strategic choice to account for the evolving fortunes of Italian labor. Our approach builds on the academic management literature which stresses the importance of core competences and internal firm resources in shaping company strategies, as well as previous work in industrial relations that employs strategic choice theory to explain managerial behavior, but extends these analyses to labor unions in order to identify the relevant forces shaping their responses to changing political economic circumstances. More specifically, we argue that the inability of the Italian unions to develop and maintain their own internal research and training capacities -- capacities necessary both to analyze and develop coherent responses to the changes underway in the economy -- contributed significantly to their current organizational difficulties and strategic disarray.

The next section of this paper illustrates our argument through a case study of the Confederazione Italiana dei Sindacati Lavoratori (CISL). Established during the height of the Cold War, initially as a break-away from and later rival organization to the Communist-dominated CGIL, the CISL sought to develop its own distinct organizational culture around two fundamental principles: 1) the importance of firm-level union activity and 2) the professionalization of union activists. As a result of these features, the CISL emerged during the 1960s as a highly innovative labor union. Many of the key changes in Italian industrial relations during this period, for instance the establishment of firm-level union organizations and


the introduction of "articulated" (i.e., firm-level) collective bargaining were promoted by the CISL. Moreover, most of the innovative strategies developed during the Hot Autumnn i.e., the inquadramento unico (unification of blue and white collar job classification schemes), egalitarian wage policy, and the strategic unity of Italy’s three major labor confederations, were, in fact, initiated by various CISL-affiliated industrial unions, especially the Metalworkers Federation (FIM).

By the end of the 1980s, however, the situation appeared completely reversed. No longer a source of strategic innovation in Italian industrial relations, the CISL appeared to be a much more bureaucratic and politicized organization (closely tied to particular factions of the Christian Democratic Party).

We argue that the strategic and organizational evolution of the CISL can be understood if one looks at the development of its internal organizational capacities. To be more specific, we argue that the CISL of the 1960s was innovative and successful because it focused its strategy and concentrated its organizational resources on developing internal expertise in collective bargaining and the organization of production. However, in the late 1970s-early 1980s, like many other Italian political and economic elite, the leadership of the CISL became increasingly convinced that Italy’s problems stemmed from its archaic and inefficient institutional arrangements. As a result, the union abandoned its original focus on shop floor bargaining and promoted a series of strategic and organizational changes aimed at launching neocorporatist incomes policies in Italy. When these efforts failed, and the Italian economy underwent a massive wave of restructuring, the CISL found itself lacking the organizational resources necessary to respond adequately to the new challenges it faced.
As an indicator of the CISL’s internal capacities, we focus on the Centro Studi CISL, the union’s training school located outside of Florence. Although the CISL relied on other structures and schools for internal training and leadership development, especially during the 1970s and 1980s, the Centro Studi was certainly the most important center of its kind in Italy. By tracing both the decline in overall resources dedicated by the CISL to training and the shift in the Centro Studi’s curriculum away from technical, shop floor concerns and towards macroeconomics and “political exchange”, we seek to illustrate how the CISL’s administrative failure contributed to its organizational and strategic difficulties.

4. How a Union Changes Itself: The Strategic and Organizational Evolution of the CISL

i) The Origins

The CISL of the 1950s was linked by the affiliations, affinities and origins of its leaders and its rank-and-file to the Catholic Church and the ruling Christian Democratic Party. In many ways, the founding of the CISL reflected the polarization of Italian society into Marxist and Catholic subcultures. As the labor confederation most closely identified with the Christian Democrats, the CISL vigorously opposed Communism and sought to organize workers in Italy who identified politically as Catholics.


59 In another publication, La Palombara describes the CISL as "manifestly a Christian Democratic organ." See Joseph La Palombara, "The Political Role of Organized Labor in Western Europe," Journal of Politics, 17 (February 1955): 75. For more on the historical
In the 1950s the ideology of the CISL reflected its historical origins. The union espoused a philosophy of "non-demagogic" and "responsible" trade unionism, indicating a willingness to subordinate the short-term interests of its membership to national goals of economic stability and growth. To back up this pledge, the CISL rejected the use of militant trade union action (i.e., strikes) and cooperated with the government on a number of programs.

Notwithstanding its origins, the CISL sought to develop a "new model" of trade unionism -- one that rejected both prefascist Catholic coporatist unionism\textsuperscript{60} and the Leninist model of unions as "transmission belts" for revolutionary working class parties.\textsuperscript{61} Instead, the CISL sought to emulate the practices of labor unions in the United States which were seen as more autonomous organizations, interested not in broader political questions but rather in securing wage increases and other benefits for their membership through collective bargaining.\textsuperscript{62}

The CISL’s early analysis of Italy’s socio-economic problems focused on the country’s economic "backwardness". As a result, the union’s strategies in the 1950s sought to stimulate economic growth, industrialization and technological innovation. For example, informed by marginalist economic theory, the CISL’s initial wage policy explicitly linked wage gains to productivity improvements. This concern with productivity growth reinforced not only the evolution of the CISL, see Anthony Greco, "Trade Unionism and Politics: The Evolution of Catholic Labor in Italy," Ph.D. Dissertation, Department of Political Science, Columbia University, 1976.

\textsuperscript{60} See Tiziano Treu, "La CISL degli anni '50 e le ideologie giuridiche dominanti," in Materiali per una storia della cultura giuridica, Giovanni Tarello, ed., (Bologna: Il Mulino, 1973).

\textsuperscript{61} Guido Baglioni, Il sindacato dell’autonomia, (Bari: De Donato, 1975).

CISL’s preference for collective bargaining (over politics) but also its image as a positive and modernizing force in Italian society. Essentially, the CISL believed that through "articulated" (i.e. firm-level) bargaining, the union could drive up the cost curves of less efficient firms and thus force them to invest in new, more efficient technology. In this way, the CISL hoped to spark a virtuous cycle in which wage increases would lead to new investments, which in turn, would enhance productivity and thus lead to subsequent wage gains.

In short, through the union’s wage policy the CISL hoped to simultaneously promote (non-inflationary) growth and provide distributive gains for its membership. Moreover, to ensure that wage gains would in fact translate into new investment and not simply price increases passed on to customers by Italy’s oligopolistic firms, the CISL also encouraged government intervention in the economy (through the state holding companies and economic planning) aimed at correcting structural imbalances and promoting domestic competition.

The importance attributed to internal training constitutes one of the distinct and innovative traits of the early CISL. In contrast to the CGIL, whose activists were trained directly by the Communist Party, the CISL had to create from scratch a leadership group capable of translating into practice its concept of "democratic unionism". In 1951, with the technical and financial contributions of several American unions, as well as of the CIA, the Centro Studi CISL was

---

63 For more on the economic views of the CISL, see Mirella Baglioni and Ezio Tarantelli, "Il paradigma economico nell’azione e nella cultura della CISL," and Mauro Marconi and Fausto Vicarelli, "L’accumulazione di capitale nella visione della CISL", both in Analisi della CISL, Volume 2, Guido Baglioni (ed.), op. cit.

64 Joseph La Palombara, "Trade Union Education as as Anti-Communist Weapon in Italy," Southwest Social Science Quarterly, 37, (June 1956): 29-42.
established to train future leaders for Italy's embryonic "free" trade union movement. The core of the school's program was the so-called *corso annuale* (annual course), a nine month, full-time course which enrolled 20-30 students. The annual course's curriculum included labor history, labor law, economics, statistics and a few modules focused on the organization of work and collective bargaining. In line with the principles officially espoused by the confederation in this period, the *corso annuale* stressed the importance of "non-demagogic" and "responsible" unionism, but also of union autonomy from political parties. Students enrolled in the nine month course were nominated by their provincial unions but had to pass a selection process, a mid-course exam, and write a final thesis. At the end of the course, students did a three month apprenticeship at one of the provincial unions. In addition to the *corso annuale*, the Florentine School also organized courses for women and Southern leaders.

---

65 At the time of its foundation, the Centro Studi was the only union training structure in Italy. In fact, the establishment of the CGIL's union school at Ariccia came much later in 1966. On the activity of the Centro during the 1950s, see Romano LaZZareschi, "Il Centro Studi nei primi anni di attivita' (1951-53), (1953-56), (1957-58), (1959-1961)," in _Annuario del Centro Studi_, (Florence: Officine Grafiche Firenza, various years), Vol. 2: 17-34; Vol. 3: 13-48; Vol. 4: 15-46; Vol. 5: 13-48, respectively. For a reconstruction of the "philosophy" and the activities of the School during the 1950s, which criticizes the "productivism" and "philo-managerialism" of the CISL in that period, see Benedetto De Cesaris (the first head of the School), "La scuola CISL di Firenze negli anni '50," _Quaderni di rassegna sindacale_, X, 37, July-August 1971: 80-94. See also "Bilancio dell'attivita' formativa," _Bollettino Studi e Statistiche_, 1955, and "Problemi ed esperienze della formazione sindacale CISL," _Bollettino Studi e Statistiche_, 1957.

66 Besides transmitting CISL's union philosophy, one of the goals of the Centro Studi during the 1950s was filling in the gaps of an often incomplete school education. In fact, almost 60% of students participating in the *corso annuale* had left school before the age of 14; see Silvio Costantini, "La formazione del gruppo dirigente della CISL," in _Analisi della CISL. Volume 1_, Guido Baglioni (ed.), op. cit.: 135. The early courses organized by the Centro had a strong ideological emphasis. For example, the Course for Confidential Instructors of September 9-25, 1952, included the following topics: 1) the essential characteristics of our [of CISL] thought and the originality of our thought; 2) the goals of our movement concerning the social progress of
Notwithstanding these aspirations at developing a new model of unionism, the CISL of the 1950s acted more or less like a collateral organization of the Christian Democratic Party (DC). Many of its innovative proposals (i.e. organizational autonomy from political parties, firm-level collective bargaining, and productivity enhancing wage policy) remained on paper and were not immediately translated into concrete actions. With members of Catholic Action (ACLI), CISL unionists founded the Forze Nuove faction of the party. Moreover, the CISL often colluded with management to marginalize the Communist-dominated CGIL. Even the idea of "articulated" bargaining, which would eventually force even the CGIL to re-think its own bargaining strategy, began to be implemented only late in the 1950s.

Italian working class; 3) the goals of our movement concerning the position of workers in Italian politics; our union vis-a'-vis the state and political parties; 4) the goals of our movement concerning the position of workers in the Italian economy; 5) the policies of our movement concerning the specific problems of the Italian economy; 6) trends of legislative policy concerning the labor movement vis-a'-vis the state; 7) wage, agriculture and industrial policy; 8) organizational policy; 9) organizing strategies and cooptation within and outside the organization; 10) problems of implementation; see Romano Lazzareschi, "Il Centro Studi nei primi anni di attivita' (1951-53), Annuario del Centro Studi CISL, Volume 2, 1962-63: 32-3.


68 On the assistance offered by management to the FIM-CISL against FIOM-CGIL in many Commissioni Interne elections during the 1950s, see Sergio Turone, Storia del sindacato in Italia, (Bari: Laterza, 1976): 294-5. See also Maurizio Carbognin, "I comunisti sono tutti zucconi", in Il sindacato come esperienza: la CISL nella memoria dei suoi militanti, Maurizio Carbognin and Luigi Paganelli (eds.), (Rome: Edizioni Lavoro, 1980); and Emilio Pugno and Sergio Garavini, Gli anni duri alla Fiat, (Turin: Einaudi, 1974) for more on the collusion between the CISL and management against the CGIL.

69 See Francesco Ciafaloni, "Ideologie e prospettive del sindacalismo cattolico," Quaderni Piacentini, XI, 46, March 1972. For more on the innovations brought by CISL into Italian industrial relations, see Bruno Trentin, "Le ideologie neocapitaliste e l'ideologia delle forze dominanti nella politica economica italiana", in Tendenze del capitalismo italiano. Volume 1,
ii) The Emergence of the "New" CISL

During the 1960s, the situation began to change as the CISL developed its own organizational skills, trained a new leadership group, and began to implement many of its innovative proposals. Through the Centro Studi the union developed a new cadre of highly skilled union activists. These activists would later be instrumental in developing the CISL’s capacities to negotiate contracts at the industry and firm levels and to ensure union autonomy. In fact, while the first generation of CISL leaders had been socialized in organizations like Catholic Action or the Christian Democratic Party in which religious or partisan concerns predominated, the new leaders trained at the Florentine School were explicitly trained in the "incompatibility" between union and political roles, and the necessity for a trade union to closely monitor and represent workers’ demands even through united action with other trade unions, including the CGIL. Although there are limited data on the career paths of the Centro’s graduates, the innovative role played by the Florentine School in promoting the emergence of a new, more capable and reformist leadership group is clear.71 Table 2 reports available data

various authors, (Rome: Editori Riuniti, 1962). After being defeated in the Commissioni Interne election at Fiat in 1955, the CGIL began to reconsider its strategy at company level, based on the experience of the CISL; see Sergio Turone, Storia del sindacato in Italia, op. cit.: 256-260.

70 The first company agreement was signed in 1957; see Nicola Cacace, "L’azione della CISL rispetto all’organizzazione del lavoro", in Analisi della CISL, Volume 2, Guido Baglioni (ed.), op. cit.

71 For more on the partisan affiliations of FIM leadership in the early 1970s, see Gian Primo Cella, "La composizione sociale e politica degli apparati sindacali metalmeccanici della Lombardia," Prospettiva Sindacale, Apr. 1973. Out of 76 FIM activists, 53 had no party affiliation at all (70%). Moreover, of these 14 had not renewed their affiliation with DC (18%). However, the sample considered in Cella’s study is certainly not representative of the CISL universe, since the FIM constituted in those years one of the most progressive organizations in the entire Italian labor movement.
on the number of CISL leaders who participated in the Centro Studi Activities.

Table 2. Members of CISL’s Leadership Who Participated in Centro Studi Activities

<table>
<thead>
<tr>
<th>Position</th>
<th>1967</th>
<th>1973</th>
<th>1977</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Taken</td>
<td>%</td>
</tr>
<tr>
<td>Confederate</td>
<td>8</td>
<td>1</td>
<td>12.5</td>
</tr>
<tr>
<td>Secretaries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional</td>
<td>21</td>
<td>5</td>
<td>23.8</td>
</tr>
<tr>
<td>Secretaries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provincial</td>
<td>95</td>
<td>34</td>
<td>35.8</td>
</tr>
<tr>
<td>Secretaries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category</td>
<td>37</td>
<td>1</td>
<td>2.7</td>
</tr>
<tr>
<td>Secretaries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>161</td>
<td>41</td>
<td>25.5</td>
</tr>
</tbody>
</table>


Beginning with 1957, the Centro Studi organized one year courses for "collective bargaining experts" in order to support the development of local union structures by supplying them with skilled professionals. Only university graduates were admitted to these courses. Moreover, students enrolled in the course for "collective bargaining experts" committed themselves to working full-time for the CISL for a set period of time.

The development of "articulated" (i.e., company and plant-level collective bargaining) required an ever greater supply of trained union cadres. As a result, the Centro Studi’s tasks changed. No longer solely responsible for all of the CISL’s training needs, it began to oversee
and coordinate the training programs of the various industry and provincial unions. Moreover, the "annual course" was substituted by a shorter "quarterly course". The courses differed not only in length, but also in content. In fact, the quarterly courses were more than just a streamlined version of the corso annuale. The more general and ideological lessons on "non-demagogic" trade unionism were replaced by more elaborate modules on bargaining techniques and organizational issues. This shift in emphasis is illustrated by a comparison between the curricula of the annual and quarterly courses.

Out of 13 modules constituting the old corso annuale, only three ("business management", "union techniques" and "wage techniques") dealt with company- or bargaining-related issues. The others focused on more general issues like labor law, labor history, agricultural economics and social psychology. In contrast, the "quarterly course" were comprised of 11 modules, of which five were devoted to collective bargaining and union organization ("union organization", "union representation", "collective bargaining and strike", "employment and wage policy", "trade unionism and economic reality"). The remaining six modules focused on labor law and labor history.\footnote{For a comparison between the program of the 1953-54 annual course and the 1963-64 quarterly course (years in which both programs were consolidated), see Romano Lazzareschi, "Il Centro Studi nei primi anni di attivita' (1954-56)," and Silvio Costantini, "L'attività’ del Centro Studi nel 1963-64," both in Annuario del Centro Studi CISL, III. 1963-64, (Florence: Vallecchi, 1965): 18-24 and 58.}

During the first half of the 1960s, a growing number of courses were organized to respond to the specific needs expressed by the industrial unions. Some of these courses, especially the courses developed for FIM activists, had a particularly technical character. There were no ideological or even historical lessons in these more specialized courses. All classes
dealt with methods for measuring productivity, different piece-rate systems, and job classification and evaluation systems. Moreover, they all explicitly addressed the issue of how to write a collective agreement.\textsuperscript{73} It is probably in this same period that trade unionists of the rival CGIL began to remark, ironically, that because of their technical prowess, the graduates of the Centro Studi CISL could just as easily "sit on either side of the bargaining table".\textsuperscript{74}

Throughout the decade the CISL organized local union structures within Italian firms and, beginning with the 1962-63 bargaining round, negotiated firm-level contracts as well. Moreover, the composition of the CISL’s membership also changed during these years. Growing beyond its original base among farm workers and civil servants, the CISL became increasingly successful at organizing semi-skilled industrial workers in the North.\textsuperscript{75}

\textsuperscript{73} For example, the December 9-21, 1963 course for FIM provincial negotiators pursued the following syllabus: 1) methods for the determination of productivity; 2) production measurement in physical and value terms; 3) measuring factors of production: labor, services, capital; 4) how to write a collective agreement on production premia; 5) profitability and productivity: the economic effects of different ways of measuring productivity; 6) the wage policy of FIM-CISL and the implementation of company premia; 7) the piece-rate system; 8) job classification and pay - how to connect them to piece-rates. Every module was followed by case studies. As a further example, the course for FIM activists at ITALSIDER (Italy’s major steel company) of January 17, 1964, addressed the following topics: a) job evaluation systems; b) analysis and evaluation of work at Italsider; c) concrete cases of evaluation; d) how to contest the evaluation; e) union and bargaining problems of job evaluation; see Annuario del Centro Studi CISL, III, 1963-64, op. cit.: 62-3.

\textsuperscript{74} This remark is reported in ISFOL, "La formazione sindacale in Italia," Quaderni di formazione, 82-3, Sept.-Dec. 1982: 32. However, the courses organized by the Centro Studi for several other industry federations in the 1960s, not only representing farm workers and public officers but also, for example, electric workers (FLAEI), continued to be focused on general and ideological issues. For more on the traits of union training at CISL in these years, see Ettore Santi, "Formazione ed organizzazione: il caso del Centro Studi della CISL," Studi Organizzativi, IX, 1977, in particular pp. 104-9.

\textsuperscript{75} Between 1960 and 1970, CISL membership grew 36%. In the same period, the number of members in the industrial federations increased by 117%. The percentage of total CISL membership belonging to the Metalworking Federation (FIM) grew from 35% in 1961 to 48%
iii) The Reform Strategy

As the CISL became increasingly active within the factories during the 1960s, it began to shed its initial optimism regarding cross-class collaboration, enlightened economic development and the automatic benefits of technical progress.\(^7\) Company owners and managers strongly resisted the introduction of firm-level bargaining and thwarted various efforts by the CISL to organize their factories. Consequently, the CISL became increasingly involved in industrial conflict and thus abandoned its earlier position (highly influenced by American industrial relations theory) that strikes were an indicator of "backwardness".\(^7\)

The CISL's wage policy also changed during this period. Whereas the CISL's early policy was based on an understanding of economic growth which privileged firm profitability and capital accumulation\(^7\) and thus encouraged wage moderation, the union's subsequent analysis of the actual behavior of Italian business following the recession of 1962-1963 completely altered its views. Notwithstanding an increase in firm profitability between 1964 and 1971. See Guido Romagnoli (ed.), *La sindacalizzazione tra ideologia e pratica*, 2 volumes, (Rome: Edizioni Lavoro, 1980): Volume 1 p. 55; Volume 2 pp. 191 and ff.

\(^7\) For more on this, see Guido Romagnoli, "La CISL e il sindacato di fabbrica," in *Analisi della CISL. Volume 2*, Guido Baglioni (ed.), op. cit.

\(^7\) The 1960s saw a general increase in strike activity in Italy. The average number of conflicts per 100,000 employees increased from 16.44 of 1952-58, to 24.66 of 1959-67, to 31.73 of 1968-73. These figures then fell to 22.27 in 1974-79 and to 12.10 in 1980-85; see Lorenzo Bordogna and Gian Carlo Provasi, "La conflittualita’," in *Relazioni industriali. Manuale per l’esperienza italiana*, Gian Primo Cella and Tiziano Treu, op. cit.: 281.

\(^7\) To increase capital accumulation rates, the CISL proposed the so-called *risparmio contrattuale* (negotiated savings). According to the proposal (which was advanced again in the 1980s), a share of the wage gains would be channeled into an Investment Fund, co-managed by management and unions. For more on this issue, and in general on CISL's attitude towards economic planning, see Umberto Romagnoli and Tiziano Treu, *I sindacati in Italia dal '45 ad oggi. Storia di una strategia*, op. cit.: 202-210.
1968, industrial investment continued to stagnate and capital flight increased. As a result, the union shifted its economic views to embrace Keynesianism and thus began to stress the importance of aggregate demand for the country's development.\(^7\) This, in turn, led the union to pursue an aggressive wage policy, even during periods of recession.\(^8\)

The late 1960s witnessed a radicalization of the CISL, especially as a result of the union's increased contact with neo-marxist theories which stressed the growing alienation of industrial workers.\(^9\) These themes resonated especially within the CISL's metalworkers union, the FIM, which became increasingly critical of Taylorist managerial practices within Italy's largest firms. Whereas the CISL had initially understood an increase in the division of labor as an inevitable consequence of industrial modernization, during the Hot Autumn, CISL's industrial unions began to contest the extremely hierarchical and "dehumanizing" organization of work within Italian factories. Because CISL unionists had significant knowledge of and experience with bargaining over piece-rates, shift arrangements, and the pace, quantity, and organization

\(^7\) For a (critical) analysis of CISL’s changed view concerning economic growth, see Mirella Baglioni and Ezio Tarantelli, "Il paradigma economico nell'azione e nella cultural CISL", op. cit.


\(^9\) The authors who most influenced the evolution of CISL were Andre’ Gorz and Serge Mallet. From the first, the idea was derived that revolutionary change had to begin "from the factory". From the second, the CISL learnt about the necessity for unions of renewing goals and means in order to match modifications in industrial organization and in the composition of the workforce, and to fully exploit the potential conflictuality of technicians and skilled workers. For more on this, see Anthony Greco, "Trade Unionism and Politics: The Evolution of Catholic Labor in Italy," Ph.D. Dissertation, Department of Political Science, Columbia University, 1976; and Guido Baglioni, Il sindacato dell’autonomia, (Bari : De Donato, 1975).
of work, they were especially effective in challenging these workplace practices. In fact, most of the more innovative union demands of the Hot Autumn -- the inquadramento unico, egalitarian wage policy, the abolition of piece rates, and the substitution of "hardship compensation" for workers employed in especially pernicious positions (i.e., paint shops, foundries) with the reorganization of these shops instead -- were initiated by FIM activists. The FIM also pushed for the reunification of the Italian labor movement "from below" by collaborating with CGIL and UIL affiliated unions.

The CISL experienced tremendous success with its new, more aggressive shop floor strategies and this success encouraged it to broaden its demands and push for reforms in the political arena. As a result, the CISL, along with the two other major union confederations (CGIL and UIL) began to by-pass the political parties in Parliament and negotiate directly with the government over pension, school, housing, health care and fiscal reform. At the same time, the unions also sought to bargain with management over future corporate strategies and investment decisions.

Following CISL's strategic shift from company bargaining to social and political reform, the Centro Studi's pedagogical focus changed once again. For example, the School re-defined

---

82 As three CISL intellectuals collaborating with the Milanese FIM admitted, "Nobody can better contest the piece-rate system, from either a technical or political perspective, than one who for years negotiated these practices." Bruno Manghi, Gian Primo Cella, and Paola Piva, Un sindacato italiano negli anni '60. La FIM CISL dall'associazione alla classe, (Bari: De Donato, 1972), p. 40.

83 For more on these changes, see Guido Baglioni, "Una linea di cultura sindacale," Annuario del Centro Studi CISL, XII, 1974-76, (Florence: Vallecchi, 1977): 9-16. Guido Baglioni, one of the intellectuals who had supported the development of the "new CISL", was appointed director of the School in 1975.
its quarterly courses\textsuperscript{84}, with a precise objective: "to train an adequate number of union activists ... (capable of) understanding all political and social implications of union action".\textsuperscript{85} Most modules of the new quarterly course were devoted to the political dimension of union activity. The new modules focused on issues like "the national and regional context", "national politics and workers' interests", "union activity at the national level", "the problem of the Mezzogiorno", and "the Public Administration". The remaining modules addressed historical and comparative themes, and industrial and labor economics. The sessions dedicated to business administration and work organization, which had represented the core of the program in the early 1960s, were reduced and linked to more macroeconomic topics. Additional themes concerning the legitimation of authority by union representatives and the use of strike were also taught in this new quarterly course.\textsuperscript{86}

\textsuperscript{84} The quarterly course had been replaced by an eight month course in 1967-68, and then by a much shorter two month course in the early 1970s, when a new, more moderate and conservative director was installed in order to restore order and discipline in the Centro Studi. Moreover, the total number on courses organized by the Centro Studi fell in the early 1970s from 35 in 1970-71 to 21 in 1971-72 to 19 in 1972-73. See Annuario del Centro Studi, X, 1970-71, op. cit., pp. 12 and 36. Beginning in 1974, the number of courses increased again: 32 in 1974, 63 in 1975, 87 in 1976, 120 in 1977 (ISFOL, "La formazione sindacale in Italia," op. cit.: 137).

\textsuperscript{85} See "I corsi quadrimestrali per operatori sindacali," Annuario del Centro Studi, XII, 1974-76, op. cit., p. 19.

\textsuperscript{86} See Annuario del Centro Studi, XII, 1974-76, Ibid.: 22-25. Our finding that political themes dominated the Centro Studi's courses after the mid-1970s is confirmed by another study on the training activities of the CISL's peripheral structures (industry, regional and provincial unions) in 1974-76. See Marco Ricceri, La cultura nella CISL, op. cit. Ricceri shows that the major problem for the CISL's lower-level officers consisted in being more effective in their political action, especially given that the CGIL activists seemed to have better political skills, thanks to their close ties with the Communist Party. For more on union training within the CGIL, see Di Gioia-Pontacolone, "La formazione sindacale nella CGIL," Quaderni di rassegna sindacale, 37, Sept. 1972.
iv) The Shift Towards Concertation

As we saw earlier, the unions' "Reform Strategy" produced few results and by the second half of the 1970s, the unions began to once again rethink their strategy. As Italy's economic crisis worsened after the first oil shock in 1973, the CISL began to see that its dualistic strategy of demanding wage increases and changes in work organization at the firm-level and major institutional reforms at the national-level, had exacerbated the country's political and economic problems. Moreover, the union also began to realize that its egalitarian wage policy had provoked major dissent and even defections by the union's more skilled and professional membership.

In many ways, the CISL's analysis of the role its strategy played in exacerbating Italy's economic crisis of the 1970s signaled a return to its prior positions. Similar to its original interpretation of Italy's economic problems in the 1950s, the CISL in the late 1970s once again stressed the importance of private investment and capital accumulation. According to the union, economic growth would be restored only when inflation was brought under control and managerial authority on the shop floor was restored.

As a result of this self-criticism, the CISL embarked on a major reform of its strategies and structures. In section two we described various attempts in the late 1970s and early 1980s to construct neocorporatist arrangements in Italy. The CISL took the lead in promoting the 1983 and 1984 tripartite accords. Yet for the CISL, these arrangements were intended to produce

---


88 For more on the limits of this egalitarian strategy, see Aris Accornero, La parabola del sindacato, (Bologna: Il Mulino, 1992).
more than anti-inflationary incomes policies. Instead, the union hoped that through tripartite negotiations over macroeconomic policy and increased (and institutionalized) union participation in company decisionmaking, it could construct a new, more concertative approach to economic governance. This strategic shift reflected the unions' aspirations to become one of the pillars of the new economic order. Through their influence over wage determination they would assure the progressive reduction of inflationary expectations; and through their control of the Fondo di Solidarieta' (Solidarity Fund), the unions planned on contributing directly to new productive investments. As Pierre Carniti (General Secretary of CISL) articulated on a number of occasions, the CISL was aware that the unions' "political" role would be compromised if industrial restructuring were unilaterally decided and implemented by management.

Moreover, given that the political parties had proven incapable of promoting reform, the CISL believed that only a "social contract" between the unions and organized business could restimulate growth and pull Italy out of its recession. In order to hold up its own end of these deals and implement this new strategy, the CISL (along with the CGIL and UIL) embarked on an organizational reform in 1979 (the so-called Riforma di Montesilvano) aimed at centralizing collective bargaining arrangements and consolidating the unions' structures.

In the late 1970s, the cultural activities of the Centro Studi were redefined once again

---


90 The Fondo di solidarieta' resembled the proposal of risparmio contrattuale, advanced by the early CISL in the 1950s. The fund would be financed by 0.5% of wage gains.

91 On the importance of a two-pronged union strategy, focused both on the enterprise and the political sphere, see Pierre Carniti, *Remare controcorrente*, op. cit.: in particular, pag. 186.
to match the CISL's strategic shift towards participation in macroeconomic policy-making. Union training in 1977-80, a period which coincides with the "EUR-policy", aimed at providing union leaders with basic macroeconomic training. For example, in 1978 the Center launched a new initiative: a course on "economic literacy", whose objective was "to provide union militants and leaders with basic economic notions, indispensable to understanding the problems of political economy and to improve the union's efficacy." 

In line with the CISL's leadership role in promoting the 1983 and 1984 "tripartite" agreements, macroeconomics dominated all cultural activities of the Centro Studi in the early 1980s. The new director, Lorenzo Caselli, organized a series of conferences focused on: "Italy's Economic Crisis", "The Responsibilities and the Propulsive Role of the Trade Unions", "The Possible Contribution of Unions to Alternative Forms of Capital Accumulation", and "The Implications of the 1983-84 Agreements". 

In 1982 a new "three month course", aimed at developing a new leadership group capable of proposing and managing innovations in macroeconomic policy, was introduced. The "three month" course included ten modules, of which four dealt with centralized bargaining or focused on the relationship between unions, political parties and public institutions ("bargaining within the economy", "bargaining over the cost of labor", "institutions - politics - welfare state", "the role of trade unionism in the political system"). Only one module in this new course focused 

---


95 Firenze perché?, Ibid.: 165-66.
on company bargaining. The others dealt with the organizational structure of the unions, recent changes in labor markets and the social structure, effective communication techniques, and interesting enough, the ideological and cultural differences between the CISL and the other Confederations.  

v) The Results of the Shift

The union's shift towards concertation produced at best only mixed results. The "proceduralization" of industrial relations at the firm-level through the institutionalization of union participation in company decisionmaking was implemented only within the state holding companies through the Protocollo IRI and even there, implementation was quite uneven and incomplete. Italy's experience with tripartite bargaining was also extremely short-lived and ended with the break-up of the Federazione Unitaria in 1984. Within the CISL, the end of incomes policies coincided with the fall from power of the more progressive industry unions (i.e., FIM), which had dominated the confederation since the mid-1970s. The progressives were replaced by more conservative representatives from the public employment and farmworkers' unions -- unions which had always opposed not only concertation but also the Reform Strategy

96 For more on the program of the "three month" course, see Firenze perché?, Ibid.: 189-191.

97 The Protocollo IRI of 1984 was a framework agreement between IRI (Italy's major state holding company) and the trade unions, intended as a first step towards union participation in company decision-making. For more on the Protocollo, see Franco Carinci, "Il Protocollo IRI nella dinamica delle relazioni industriali," in Le relazioni industriali in Italia. Rapporto 1984-85, CESOS, (Rome: Edizioni Lavoro, 1986).

98 For more on the implementation of the Protocollo IRI, see Maurizio Ricci and Bruno Veneziani (eds.), Tra conflitto e partecipazione. Un’indagine empirica sul Protocollo IRI e sui diritti di informazione, (Bari: Cacucci Editore, 1988).
and increased collaboration with the CGIL.  

By the second half of the 1980s, the period of organizational and strategic innovation of the CISL had come to an end.  

The 1980s represented a period of decline for the Centro Studi, due both to the lack of financial resources and the absence of a clear mission. Between 1983 and 1986 the budget of Centro Studi was more than halved (in real terms) (see Table 3).

<table>
<thead>
<tr>
<th>Year</th>
<th>nominal</th>
<th>real*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>586,465</td>
<td>100</td>
</tr>
<tr>
<td>1981</td>
<td>669,663</td>
<td>114</td>
</tr>
<tr>
<td>1982</td>
<td>814,444</td>
<td>139</td>
</tr>
<tr>
<td>1983</td>
<td>951,226</td>
<td>162</td>
</tr>
<tr>
<td>1984</td>
<td>968,581</td>
<td>165</td>
</tr>
<tr>
<td>1985</td>
<td>523,383</td>
<td>89</td>
</tr>
<tr>
<td>1986</td>
<td>610,662</td>
<td>104</td>
</tr>
<tr>
<td>1987</td>
<td>1,015,314</td>
<td>173</td>
</tr>
<tr>
<td>1988</td>
<td>1,113,231</td>
<td>190</td>
</tr>
<tr>
<td>1989</td>
<td>1,211,899</td>
<td>207</td>
</tr>
<tr>
<td>1990</td>
<td>1,480,067</td>
<td>252</td>
</tr>
</tbody>
</table>

* Nominal values deflated using the consumer price index reported in OECD Economic Surveys, Italy, various years.

Source: Centro Studi CISL di Firenze.


100 For more on CISL' strategy in the late 1980s, see Gian Primo Cella, "Sul futuro dell’autonomia," and Mario Zoccatelli, "Verso la terza CISL," both in Prospettiva Sindacale, 77, XXI, Sept. 1990.
In 1980 the research activities, which had represented a substantial part of the Centro’s activities in the second half of the 1970s, were removed from the Center and relocated to a new research center called CESOS, located in Rome. In 1981 the CISL established a new union school in Taranto. Although this new school was dedicated to training Southern activists, its sphere of action partially conflicted with that of the Centro Studi. In the mid-1980s, the national headquarters of the union decided that it would directly take charge of union training. As a consequence, the Centro Studi lost its autonomy over curriculum planning and course development. As further evidence of the diminished role of the School, in 1981 the Annuario (the Centro Studi’s yearly reports) ceased to be published.

The decline of the Centro Studi was not compensated by a reallocation of internal resources to other schools or training centers. In fact, the amount of total resources that the CISL dedicated to training has halved (in real terms) between 1985 and 1990 (see Table 4).

---

101 For more on the Taranto school, see ISFOL, "La formazione sindacale in Italia," op. cit., pp. 141-159.


103 The last Annuario, number 13, was published in 1981. In 1984 "Firenze perché?" was issued, which contained a much less detailed account of the Schools activity than the Annuari. After that, nothing else was published. The decline of the Centro Studi provoked the protest of CISL union instructors, who proposed a re-launching of union training. For more on this proposal, see Tony Nardi, "Formazione dei formatori: ipotesi per un progetto," Firenze perché? 2, op. cit.: 150-162.
Table 4. CISL annual budget: total expenditures for union training (000 lire)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL EXPENDITURES</th>
<th>UNION TRAINING</th>
<th>%</th>
<th>REAL RESOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>10,233,411</td>
<td>806,152</td>
<td>7.88</td>
<td>70</td>
</tr>
<tr>
<td>1982</td>
<td>9,468,977</td>
<td>1,245,545</td>
<td>13.15</td>
<td>92</td>
</tr>
<tr>
<td>1983</td>
<td>11,096,475</td>
<td>994,570</td>
<td>8.96</td>
<td>64</td>
</tr>
<tr>
<td>1984</td>
<td>13,611,902</td>
<td>1,841,452</td>
<td>13.53</td>
<td>107</td>
</tr>
<tr>
<td>1985</td>
<td>13,785,202</td>
<td>1,871,452</td>
<td>13.58</td>
<td>100</td>
</tr>
<tr>
<td>1986</td>
<td>14,280,734</td>
<td>1,814,258</td>
<td>12.70</td>
<td>92</td>
</tr>
<tr>
<td>1987</td>
<td>15,594,347</td>
<td>1,737,735</td>
<td>11.14</td>
<td>84</td>
</tr>
<tr>
<td>1988</td>
<td>18,502,526</td>
<td>1,483,958</td>
<td>8.02</td>
<td>68</td>
</tr>
<tr>
<td>1989</td>
<td>18,226,085</td>
<td>2,006,934</td>
<td>11.01</td>
<td>87</td>
</tr>
<tr>
<td>1990</td>
<td>20,083,343</td>
<td>1,136,424</td>
<td>5.66</td>
<td>46</td>
</tr>
</tbody>
</table>

* Nominal values deflated using the consumer price index reported in OECD Economic Surveys, Italy, various years.

Source: CESOS, various years.

In the late 1970s and early 1980s, the CISL had gambled on a new strategy - one that shifted the union away from its traditional strength in shop-floor bargaining over wages, working conditions, and the organization of production, and embraced participation in peak-level tripartite negotiations over incomes policies and institutional reforms. The CISL lost this gamble. As a result it found itself internally divided and strategically confused just as the Italian economy began a process of major industrial adjustment. Because it had eschewed shop floor concerns in recent years, the CISL no longer possessed the organizational resources and internal expertise necessary to negotiate industrial change. Resources that were once dedicated to training local
union militants about the organization of work and new technologies were used instead to develop political and macroeconomic skills, or transferred to fund outside consultants and experts on various macroeconomic and legal-institutional issues. Thus, when concertation collapsed in the mid-1980s, the CISL found itself not simply defeated strategically, but also weakened organizationally and once again at odds with the CGIL and the UIL. The price of this strategic error is illustrated by the CISL’s declining membership. The number of active workers belonging to CISL fell by 19% during the 1980s (see Table 3). Moreover, in certain industrial sectors, the decline in membership was even more severe. For example, the CISL’s metalworkers’ and textileworkers unions lost almost 40% of their membership during the 1980s (see Table 5). Although some of this decline would be expected given the amount of restructuring and labor shedding taking place in these industries during these years, the fact nonetheless remains that the CISL’s union membership loss in these sectors was almost three times the reduction of industrial employment (-15%).104

104 OECD, Economic Surveys. Italy, various years.
5. Concluding Considerations

This paper has argued that the current difficulties facing Italian unions are not solely the product of design flaws in Italy’s institutional arrangements or structural shifts in the economy but also the result of the unions’ own strategic errors and organizational weaknesses. The evolution of the CISL, the most innovative of the Italian unions, clearly illustrates how a union can shape its own fortunes. During the 1960s, CISL unionists were especially well equipped to negotiate piece-rates and wage premia, job classification and evaluation systems, working time arrangements, and the organization of production. Because they had received specialized technical training at the Centro Studi in Florence, CISL activists understood the world of work in great detail. However, after the mid-1970s, these organizational competences atrophied as the CISL
refocused its strategy and reallocated its resources towards promoting neo-corporatist bargaining. By the mid-1980s, concertation had collapsed and the Italian economy began a radical process of restructuring. No longer able to analyze, let alone respond to the micro-level changes underway, the CISL, like most other unions throughout the West, found itself swept aside by the new industrial order.

With the hindsight of history, the question nonetheless remains: Why did the CISL make such a disastrous strategic choice? It is impossible in this paper to reconstruct the decision-making process which led to this choice. But what is clear is that at that time, the union’s leadership group was convinced that it had to do something to pull Italy out of its political-economic crisis -- a crisis its own previous bargaining strategy had exacerbated. And like many other Italian political and economic elite, as well as a number of American and European scholars writing at the time, the CISL’s leadership group became convinced that a complete overhaul of Italy’s institutional arrangements was required. Thus, the CISL sought to promote an Italian variant of neo-corporatist bargaining and recast its own structures in order to implement this strategy. The shift towards concertation also resonated with various elements of the CISL’s ideological heritage, i.e., the union’s long-rooted concern with economic growth, productivity, and profitability, and the union’s own self-conception, nourished especially after the Hot Autumn, as an independent "political subject" engaged in institutional reform.

Yet closer examination reveals that the constitutive elements of a strategic alterantive, based on the union’s continued influence over the organization of work at the plant-level, also existed within the CISL’s cultural and ideological tradition. Within the CISL, many activists struggled not simply for the "humanization" of work, but for its "transformation". During the
Hot Autumn and continuing throughout the 1970s, these militants within the CISL pushed for greater worker discretion and autonomy, the broadening of production jobs by incorporating a number of tasks traditionally performed by supervisors and maintenance workers, the development of post-Taylorist systems of work organization, and the shift in production towards more technology- and innovation-intensive products. This more production-oriented strategy matched not only the CISL's long-standing preference for company- and plant-level bargaining but also the union's concern for social reform. It was also consistent with the union's traditional goal of reconciling company profitability with workers' interests.

How developed and powerful this strategic alternative actually was, which groups within the CISL supported this strategy, and whether or not the implementation of this strategic alternative would have been sufficient to preserve the CISL's strength are all questions that require further research and thus can not be answered in this paper. However, even to ask these questions necessitates a very different conception of unions than the one traditionally presented in the labor literature. To ponder (let alone answer) these questions we must move beyond a view of unions as either passive objects in the face of economic change or unitary actors merely responding to the selective incentives of their institutional environment. Instead, we must conceive of labor unions as internally differentiated and inherently political organizations --

---

105 For a clear statement of this strategic alternative, see Nicola Cacace, "L'azione della CISL rispetto all'organizzazione del lavoro," in Analisi della CISL. Volume 2, (Rome; Edizioni Lavoro, 1980). Nicola Cacace was one of the first graduates from the course for "collactive bargaining experts" held at the Centro Studi.
organizations with the internal capacities to develop expertise, make strategic choices, and thus shape the contexts in which they are embedded. If this paper has been at all convincing, you will think it worthwhile to engage in this alternative conceptualization.