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A PREVIEW OF THE FUTURE WORKERS' CONTROL IN THE CONTEXT OF A GLOBAL SYSTEMIC CRISIS

The global financial and economic crisis starting in 2008 and the response of the political elites have discredited representative democracy, politicians and the capitalist order in the eyes of many, as huge movements, mass protests and uprisings throughout the world showed. More and more people realise that the existing order does not have to prevail forever, that it can be altered and changed. Utopian rehearsals, experiments with new economic forms and horizontal ways of social organising can be found all over the world. They are testament to the demand for a 'real democracy now!' raised by 15 million in Spain, among others.

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While acknowledging that utopias serve only to be pursued, always incomplete, in the very process, social rights will be won or at least consciousness awakened. Utopias articulate the desire for a different way of how to organise reality and society, other ways of being in the world. Social transformations begin in the imagination, in hope, in desires and must not any more be imagined as an island with an alternative social order, such as was first done and named in the sixteenth century. In a situation where the physical and ecological limits of the planet are obvious, there are no islands left to be discovered, nor any unknown societies with a more egalitarian social order. 'Utopia' cannot be thought of anymore as a 'nowhere' (no place), but we have to look – and fight – for it in society as it exists, in the here, there and everywhere. One of these 'concrete utopias', as Ernst Bloch called them,² realistic possible concepts for a better world, that can already be found in the here and now, are 'recuperated companies'. These worker-controlled workplaces allow a glimpse of how society could be organised differently. In 2017 there were some 360 recuperated workplaces in Argentina, at least 77 in Brazil, 22 in Uruguay, approximately 100 in Venezuela and a few in several Latin American, European, North African and Asian countries.

In the early years of the new millennium, factory occupations and production under workers' control took place almost exclusively in South America, with a few isolated cases in Asia and Mexico. It was beyond the imagination of most workers and theorists in the northern hemisphere that workers would or could occupy their companies and run them on their own. Since then however, the global financial and economic crisis has led to the occupation

¹ PSJM (2013). Discourse ethics, the imperative of dissent and ethiconomics. *Nolens Volens* No. 6, p. 41.

² Bloch, E. (1986). *The Principle of Hope*. Cambridge, MA: MIT Press.

of workplaces and production under workers' control in the United States, Western and Southeastern Europe and North Africa.

Dozens of companies were occupied by workers as a means of struggle in order to exert pressure for the fulfilment of demands regarding unpaid wages and compensation in cases of factory closure or mass dismissals. But for the first time in decades several struggles were also carried out from the perspective of production under workers' control. Some of these struggles gained a little international attention, like Vio.Me in Thessaloniki, Greece. Some, as with the French Fralib Tea factory in Gémenos excited national interest. Most cases however, are not well known, such as Officine Zero in Rome and RiMaflow in Milan or the Kazova Tekstil factory in Istanbul. It is likely that more company takeovers and struggles for workers' control are taking place which remain almost unknown to the wider public. Compared to other historical moments when factory takeovers and workers' control were part of offensive struggles, the new occupations and recuperations developed out of defensive situations. Workers carried out occupations and recuperations motivated by the crisis, in reaction to closure of their production site or company, or relocation of production to a different country. They have tried to defend their workplaces because they have little reason to hope for a new job. In this defensive situation, the workers not only protest or resign, they have also taken the initiative and become protagonists. Some well-intentioned authors calculate 150 recuperated work places under worker control in Europe.³ A closer look shows that very few of these can really be considered 'recuperated' and under worker control. The number given includes all workers' buyouts of which most have, at best, adopted the structure and functioning of traditional cooperatives. Many, if not most, have internal hierarchies and individual property shares. In the worst cases unequal

³ Troisi, R. (November 2013). Le imprese 'recuperate' in Europa. *comune info*. At: http://comune-info.net/2013/11/le-imprese-recuperate-europa

share distribution is made in accordance with the company's social hierarchy (and therefore economic power) or even external investors and shareholders (individuals and major companies). Such structures reduce the concept of recuperation to the continued existence of a company originally destined to close and simply changing ownership from one to many owners, some of whom work in the company: they do not provide a different perspective on how society and production should be organised.

Cooperation not cooperatives

Cooperatives rarely question private ownership of the means of production; they tend to see this individualistic notion as the source of the right to participate in decision-making and benefits. This same idea and logic is a fundamental characteristic of capitalism. Cooperatives may represent a positive step in democratising ownership of enterprises within the frame of capitalist economy, but they are not therefore an alternative.

Imagine all the cooperatives founded during the last 100 years having remained as such with non-capitalist ideas; they would constitute a significant sector of the economy. But they haven't. Most see their ideals fading away as their members age, while having to act in a capitalist economy and not follow its rules is extremely difficult. They started with great ideals but over time 'sold out' both ideologically and materially. Often, they have been sold to corporate business or investors once they reached a certain size. Their individual notion of property makes that possible. As Rosa Luxemburg noted:

Co-operatives – especially co-operatives in the field of production – constitute a hybrid form in the midst of capitalism. They can be described as small units of socialised production within capitalist exchange. But in capitalist economy exchanges dominate production. As a result of competition, the complete domination of the process of production by the interests of capital – that is, pitiless exploitation – becomes a condition for the survival of each enterprise. [...] The workers forming a co-operative in the field of production are thus faced with the contradictory necessity of governing themselves with the utmost absolutism. They are obliged to take toward themselves the role of capitalist entrepreneur – a contradiction that accounts for the usual failure of production co-operatives which either become pure capitalist enterprises or, if the workers' interests continue to predominate, end by dissolving. ⁴

That most cooperatives are embedded in the framework of the capitalist economy and compete on the capitalist market following the logics of profit-making has serious consequences for the company model they develop. Many have employees who are not part of the cooperative, and have wage differentials which, although perhaps smaller than in normal private enterprises are real enough so that a manager's income nevertheless might end up being several times that of a worker. And while many cooperatives might be worker owned, they are rarely worker managed, especially larger cooperatives such as the famous and often praised example of the Mondragón Cooperative Corporation in the Basque country.⁵

⁴ Luxemburg, R. (1900). Chapter VII: Co-operatives, Unions, Democracy. In *Reform or Revolution*. At: http://www.marxists.org/archive/luxemburg/1900/reform-revolution/ch07.htm

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⁵ Kasmir, S. (2016). The Mondragon Cooperatives and Global Capitalism: A Critical Analysis. *New Labor Forum*, 25(1), pp. 52-59.

Worker-controlled companies

Contemporary worker-controlled companies almost always have the legal form of cooperatives because it is the only existing legal form of collective ownership and collective administration for workplaces. Usually, however, these are based on collective ownership, without the option of individual property, where all the workers have equal shares and an equal voice. It is an important and distinctive characteristic that they question the private ownership of the means of production. They provide an alternative to capitalism based essentially on the idea of a collective or social form of ownership. Enterprises are seen not as privately owned (belonging to individuals or groups of shareholders), but as social or 'common' property managed directly and democratically by those most affected by them. Under different circumstances, this might include, along with workers, participation by communities, consumers, other workplaces, or even – in some instances – of the state as for example, Venezuela or Cuba. When workers control the production process and are decisive in decision-making, they are likely to become social and political agents beyond the production process and the company. As Gigi Malabarba emphasises:

It is essential that forms of cooperative self-administration are strictly situated in a frame of dynamic conflict, in tandem with social struggles as a whole, and, starting with workers' struggles together with union militants willing to fight, they cannot be isolated. We can't stop thinking of ourselves as part of the class war. How should we alone be able to bring about a law that really makes it possible to expropriate occupied spaces to give them a social use? In other words, how can we build social and political balances of power that can stand

up against the dictatorship of capital and achieve some results? This is the only way self-administrated cooperatives and economic sectors based on solidarity can play a role in the creation of workers' cohesion and prefigure an end to exploitation by capital, showing up the contradictions of the system. This is especially the case in a period of deep structural crisis like the present. ⁶

In Italy some 30–40 bankrupt small and medium enterprises have been bought out by their workers during recent years and turned into cooperatives. Even if some commentators compare them to the well-known Argentine cases,⁷ many are neither really under full and collective workers' control, nor do they in any way envision an alternative to capitalism. Two recent cases, RiMaflow in Milan and Officine Zero in Rome, are different and fully comparable to several Latin American cases of workers' takeover.

RiMaflow in Trezzano sul Naviglio, Milan

The Maflow plant at Trezzano sul Naviglio, in the industrial periphery of Milan, was part of the Italian transnational car parts producer Maflow, which during the 1990s had become one of the most important manufacturers of airconditioning tubes worldwide with 23 production sites in different countries. Far from suffering the consequences of the crisis and with enough clients to keep all plants producing, Maflow was put under forced administration by the courts in 2009 because of fraudulent handling of finances and fraudulent bankruptcy. The 330 workers of the plant in Milan, Maflow's main

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⁶ Malabarba, G. (2013). L'autogestione conflittuale del lavoro. In Bersani, M. (ed.), *Come si esce dalla crisi*. Rome: Edizioni Alegre, p. 148.

⁷ Blicero (2013, October 24). Dalle Ceneri Alla Fabbrica: Storia Di Imprese Recuperate. *La Privata Repubblica*. [op. cit.]

production facility, began a struggle to reopen the plant and keep their jobs. In the course of the struggle, they occupied the plant and held spectacular protests on its roof. Because of their struggle, Maflow was offered to new investors as a package including the main plant in Milan. In October 2010 the whole package was sold to the Polish investment group Boryszew. The new owner reduced the staff to 80 workers. But the new investor never restarted production and after the two years required by the law preventing him from closing a company bought under these circumstances, the Boryszew group closed the Maflow plant in Milan in December 2012. Before closing it, it removed most of the machinery.

In reaction, a group of workers from the Maflow plant first occupied the square in front of their former factory and in February 2013 they went inside and occupied the plant, together with precarious workers and former workers of a nearby factory shut down after another fraudulent bankruptcy. Gigi Malabarba, a worker at RiMaflow, explains in a film on the factory:

For practically one and a half years, we have worked voluntarily in a dedicated manner, without which it would not have been possible to make this place usable again. There was no electricity, no infrastructure, no doors and windows, etc. It had to be put in order again. I think it's a great result to have brought it up and running again, maintain it, something that was deserted and would have turned into an environmental problem. We have decided to constitute ourselves as a cooperative and at the same time to create an association on two levels: first, at the level of production, we were able to design a new industrial strategy, which uses the factory for the reuse and recycling of electrical material, but also with a broader

approach to co-initiatives that have helped us and were helpful to achieve some income and to make the factory known to the outside world. In the matter of food, we have created a group for solidarity purchasing, in direct relationship with the producers at the south agricultural park. That was the key to establishing a relationship with the local population, food being a central concern and the agricultural park being next to us. On the other hand, developing these activities allows us to present a model for an open factory.⁸

In March 2013, the cooperative RiMaflow was officially constituted. Meanwhile the factory building itself passed to the Unicredito Bank. After the occupation, Unicredito agreed not to demand eviction and permitted the cooperative free use of the building. The 20 workers participating full-time in the project completely reinvented themselves and the factory. Ri-Maflow worker Nadia De Mond describes the concept of the 'open factory':

The open factory allows people who have political or social sympathies for what happens inside here, to be active. They get specific tasks to support the project. For example, in-house production: this producing always takes place in the context of an ecological, agricultural economy of solidarity. We make food and beverages with its ingredients. We then distribute them through a solidarity circle and beyond. The income generated assists the workers of RiMaflow and the project.⁹

What can seem like a patchwork to traditional economists is in fact a socially and ecologically useful transformation of the factory with a complex

⁸ Occupy, Resist, Produce – RiMaflow, a film by Dario Azzellini and Oliver Ressler, 34 mins, 2014.

⁹ Ibid.

approach based on three premises: 'a) solidarity, equality and selforganization among all members; b) readiness to engage in conflicts with the local authorities and private counterparts; c) participation in and promotion of general struggles for work, income and rights.'10

Officine Zero, Rome

The core business of Officine Zero, former RSI (Rail Service Italia), and before that Wagons-Lits (French), was the maintenance and repair of railway sleeping carriages. When in December 2011 Italian train services decided to stop night-train services and invest in fast-track trains, RSI closed. At that time the workforce consisted of 33 metal and 26 transport and administration workers. All began to be paid a special low unemployment income on account of the abrupt closing of their company. But not all accepted the closure, and 20 workers started a campaign. Together with the activists from the social centre, 'Strike', they started a 'laboratory on reconversion', organising public assemblies attended by hundreds of people. The 'crazy idea' of the Officine Zero was born. Precarious workers, craftsmen, professionals and students joined the occupation. On 2 June 2013, Officine Zero was officially founded as an 'eco-social' factory and presented to the public with a conference and demonstration. Officine Zero means zero workshops: 'zero bosses, zero exploitation, zero pollution', as their new slogan says. The name also points out that they had to find a new model. The former RSI workers dedicate themselves mainly to the recycling of domestic appliances, computers and furniture while the mixture between old and new work forms; bringing

¹⁰ Malabarba, G. L'autogestione conflittuale del lavoro. In Marco Bersani (ed.), *Come si esce dalla crisi*. [op. cit.], p. 143.

together different precarious work situations; and trying to overcome isolation and individualisation are important core ideas of the project.¹¹

Common challenges and potentials for workers' recuperations

Contemporary occupied or recuperated workplaces often face similar challenges: a lack of support by political parties and bureaucratic unions or even their open hostility; rejection and sabotage by the former owners and most other capitalist entrepreneurs; a lack of legal company forms that match the workers' aspirations and any institutional framework; obstruction by institutions; and little or no access to financial support and loans, even less from private institutions.

The general context of global economic austerity which contemporary recuperated factories have to face is not favourable. Starting new productive activities and conquering market shares in a recession is not easy. Moreover, the capital backing available for worker-controlled companies is also less than for capitalist enterprises. Usually an occupation and recuperation of a factory takes place after the owner has abandoned both factory and workers: either he literally disappears, or he abandons the workers by firing them from one day to the next. The owners owe the workers unpaid salaries, vacation days and compensations while starting to remove machinery, vehicles and raw material before the closure of the plant. In such a situation, with the prospect of a long struggle with little or no financial support and an uncertain outcome, the most qualified and often the younger workers, leave the

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¹¹ For a detailed account on recuperated factories in the northern hemisphere, including the two Italian factories mentioned here, see Azzellini, D. (2005). Contemporary Crisis and Workers' control. In *An Alternative Labour History: Worker Control and Workplace Democracy*. London: Zed Books.

enterprise, hoping for a better option. The remaining workers have to acquire additional knowledge in various fields to be able to control not only the production process itself, but also to administer the entire company, with all that implies. And then, once the workers take over the factory, the former owner is likely to re-emerge and wants 'his' business back.

It is not true that capitalists only care about business no matter how it is done and with whom, worker-controlled businesses face not only capitalism's inherent disadvantages for those following a different logic, but also often the constant attacks and hostilities from capitalist business and institutions as well as the bourgeois state. Worker-controlled companies that do not adopt capitalist functioning are considered a threat because they show that it is possible to work differently. The Venezuelan worker-controlled valve factory Inveval, for example, had the experience that the valves it ordered from privately-owned foundries were intentionally produced with technical faults.¹²

Given this, it is important to re-state the potential and possibilities of worker-controlled companies when recuperated workplaces are democratically administered. Decision-making is always based on forms of direct democracy with equality of vote among all participants, be it through councils or assemblies. In the better documented cases we also find that ecological concerns and questions of sustainability became central, be it one of recycling, as in both Italian factories; the change from industrial glue and solvents to organic cleaners in Vio.Me in Thessaloniki; or the factories in

¹² Azzellini, D. (2011). Workers' Control under Venezuela's Bolivarian Revolution. In Ness, I. and Azzellini, D. (eds). *Ours to Master and to Own. Workers' Councils from the Commune to the Present*. Chicago, IL: Haymarket Books, pp. 382–99.

France switching to organic products and using local and regional raw materials and also distributing their products locally and regionally. These emphases are seen by the workers in the larger context of the future of the planet, as well as more immediately related to health threats to workers and surrounding communities.

The struggle of the workers and the occupied or recuperated workplace becomes also a space in which new social relations are developed and practised: reliability, mutual help, solidarity among the participants and solidarity with others, participation and equality are some characteristics of the new social relations built. The workers of the recuperated factories recognise themselves in each other and consider themselves to be part of a broader movement.

Nadia De Mond, a worker in the film *Occupy, Resist, Produce – RiMaflow* describes it like this:

For me, self-administration is also a project for a different society. It is not only a matter concerning a factory, even if it is an open workplace, but it is also linked with all that surrounds us. For if we think about what will happen next year (2015) here in Milan with the Expo, concreting everything in sight, the degradation of the land, the decisions that are made, especially those that affect the production of food you ask: How can you change these things? It needs direct participation and self-administration of the people. I think that another society, a change that is absolutely necessary from an anti-capitalist and ecological perspective, can only be based on self-administration, understood in a broader sense, one that affects us as producers, as well as consumers. What should you produce? For which needs? A

redirecting of everything from this viewpoint, then you will see how this can be organised at the level of a city, a country.¹³

Not every single characteristic taken out of context and separated from others carries the prospect of a different society beyond capitalism. It is the combination of several that turns the recuperations into laboratories and motors of the desired alternative future. The direct democratic mechanisms adopted by worker-controlled companies raise important questions not only about individual enterprises, but also about how decisions should be made throughout the whole of society. In doing so, it challenges not only capitalist businesses, but also liberal and representative 'democratic' governance.

Lessons for Utopia

There are a number of important conclusion regarding utopia we can draw from the example of the recuperated workplaces. One of the most obvious is that Utopia is not a pre-designed configuration which has only to be put in place. The workers don't occupy their workplaces driven by revolutionary intentions. In contrast to takeovers under self-management of the past which happened during offensives of the working class and of revolutionary forces, the occupations of the past 20 years are out of a defensive situation. They are accomplished mainly out of a context of need, in which workers have little alternative options and get little or no support by parties, unions and the state. The workers do not have any prior experience in struggles for the takeover of a workplace and the administration of the production they can build on. They never thought before that they would occupy their company in order to

¹³ Occupy, Resist, Produce - RiMaflow [op. cit.].

produce under workers' control. Nevertheless, they develop offensive struggles out of the defensive situation and become agents of their destiny instead of resigning. In the course of the struggle most workplaces develop and adopt egalitarian and directly democratic practices and structures and connect with other social and labour movements and struggles.

This brings us to a second crucial point: the Company recuperations have to be seen much more as a social process than an economic process. Every worker of a recuperated work place will confirm that through the recuperations and the collective democratic administration everything changed: from the labour process to social relations among the workers and with the surrounding communities to the value and values produced by the company. The struggles of the workers and the occupied or recuperated workplace have become a space in which new social relations are developed and practiced: affect, reliability, mutual help, solidarity among the participants and solidarity with others, participation and equality are some of the characteristics of the new social relations built. Therefore the recuperated enterprises are not only a way to gain back initiative in struggles, but also a kind of Benjaminian Now-Time, a glimpse what a future alternative society could look like, a concrete utopia.

The recuperated factories usually develop a strong connection with the territory. They support close by neighbourhoods and in turn are supported by them. They interact with different subjectivities present in the territory and develop joint initiatives. Connections with different social movements and social and political organizations are built and strengthened. All the factories mentioned here have developed direct relations with social movements and especially the new movements that were part of the global uprising since 2011. This is a clear parallel with Latin America where successful factory

recuperations are characterized by having a strong foothold in the territory and close relations with other movements.¹⁴

This anchorage in the territory helps also them to face another important challenge. Changing forms of work and production have radically diminished the overall number of workers with full-time contracts, as well as reducing the number of workers in each company. While in the past job and production processes automatically generated cohesion among the workers, today work has a dispersive effect, since workers of the same company often work under different contracts and with a different status from each other. Generally, more and more workers are pushed into precarious conditions and into selfemployment (even if their activity depends totally on one employer). How can these workers be organized and what are their means of struggle? This is an important question the Left must deal with to achieve a victory over capital. RiMaflow and Officine Zero in Italy have built strong ties with the new composition of work practices by sharing their space with precarious and independent workers. Officine Zero declares: "We want to restart from the origins of the workers' movement by connecting conflict, mutual aid and autonomous production."15

¹⁴ Ness, I. and Azzellini, D. (eds) (2011). *Ours to Master and to Own. Workers' Councils from the Commune to the Present.* [op. cit.]; Sitrin, M. and Azzellini, D. *They Can't Represent Us!: Reinventing Democracy from Greece to Occupy.* London-New York: Verso. 2014.

¹⁵ Blicero (2013, October 24). Dalle Ceneri Alla Fabbrica: Storia Di Imprese Recuperate. *La Privata Repubblica*. [op. cit.]

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