

WORKERS' CO-OPERATIVE  
PRODUCTIVE  
AND ARTISANAL SOCIETIES

*in the*

*MECHANICS*

*and*

*METAL-WORKING  
INDUSTRY*

*in*

CZECHOSLOVAKIA

FRANCE

GREAT BRITAIN

ITALY

INTERNATIONAL CO-OPERATIVE ALLIANCE

*Auxiliary Committee*

*of*

*Workers' Co-operative Productive  
and Artisanal Societies*

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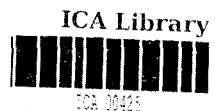
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## C Z E C H O S L O V A K I A

In Czechoslovakia Workers' Co-operatives in the Metal Industry are among the largest of the Co-operatives of Production and represent one-third of industrial co-operative production.

There are 119 Workers' Co-operatives in Metals, 22 of which are in Slovakia; they include the following branches of production: fine mechanics; optical; electro-technics for electric currents of low and high tension; iron-working; plumbing; manufacture of chandeliers, clocks, production and maintenance of agricultural machines, machine tools, compression cylinders, steam generators and accessories, light and medium installations; manufacture of fountain pens and metal furniture; smelting works, iron works and repair of motors, lorries, etc.

Work was carried out in 1958 to the value of 1,346,100,000 crowns. The number of workers was 26,025. The average productivity of a single worker over the year was 51,723 crowns.

The Co-operatives in this branch also share in the production of consumer products and compete successfully in certain products with State industry. For example, in 1958 Co-operatives produced 52% of the entire production of photographic equipment and more than 17% of vacuum cleaners; they also manufactured successfully razor blades as well as mechanical and electric razors.

The Co-operatives in the Metal Industry are also concerned in the modernisation of household utensils such as cisterns, grills, electric potato peelers and other utensils which help the housewife. They contribute to improving the cultural level of dwellings by the production of a large choice of lamps, chandeliers, electric ceiling lights, etc.

In addition the Co-operatives manufacture various products in small quantities, and in some cases supply a single article which the large industrial production cannot supply, for example, door-frames, blinds, lightweight constructions, accessories for motorists, invalid chairs, instruments for agriculture, gardening and bee-keeping. Generally speaking, these products demand artisanal work of a high quality.

These Co-operatives also contribute to improving the selling level of socialist trade by the production of equipment for self-service shops, some types of which they manufacture exclusively.

At present they envisage an even greater extension of public services, in particular repairs and maintenance. The introduction of new kinds of services in the branch of metal working proves that the Co-operatives are well prepared to fulfil the great tasks of raising the standard of living of the workers under a socialist régime.

The tourist trade is closely linked to the extension of motor workshops which are being built in large towns, also large garages capable of holding 300 to 400 vehicles.

Owing to the ever-increasing use of durable goods, workshops for the repair of electrical apparatus have been established; for example, radio sets, electric cookers, electric cisterns, vacuum cleaners, refrigerators, washing machines, spin-dryers, kitchen robots, etc.

In the clock-making branch, barometers, equipment for draughtsmen, slide rules and other apparatus belonging to the branch of small mechanics can be repaired.

The same services are available in the optical and jewellery branches, etc. Great attention is also given to the development of workshops for the immediate repair of knives, razors, meat-mincing machines, while travelling workshops have been developed for the repair of skates at winter sports centres and public skating rinks.

Metal Working Co-operatives are also making a considerable contribution to the development of television. They not only assure the erection of various sorts of aerials but undertake the repair of television sets in the workshops proper and also by travelling workshops.

Owing to the volume of their production, the Co-operatives, by assuring repairs, maintenance and public services, play an important rôle in the constant improvement in the cultural and material standard of the people of Czechoslovakia.

## FRANCE

(Electricity, Electronics, General Mechanics, Metallic Constructions, Mechanic and various Constructions.)

This group is the third in importance from the numerical point of view (47 Societies), and the second from the point of view of activity (turnover Frs. 11,650,000,000 in 1958) of the Workers' Co-operative Productive Societies in France.

There are no Artisanal Co-operatives in this branch.

Our study calls for two preliminary observations -

1. Metal working is a very vast field and, amongst the 47 Workers' Co-operatives of this type in France, there are, in effect, very few which have the same professional specialisation. Therefore, we have to classify them in general groups, none of which is perfectly homogenous.

2. The inequality of the development of Workers' Productive Societies in this group differs at least as much as their specialisation.

"The Association of Workers in Precision Instruments" (A.O.I.P.) (telephones, electronics, gyrocompasses, measuring instruments) with its turnover of Frs. 3,300,000,000 in 1958, the "Familistère de Guise" (heating apparatus, gas fittings, refrigerators), turnover Frs. 3,420,000,000, together represent the largest part of the Frs. 11 milliard turnover realised by Co-operatives in the Metal Industry.

On an intermediary level there are some Societies like the "Association Coopérative des Ouvrières en Matériel Electrique" (A.C.O.M.E.) (electric cables), "Amiens-Boutillerie" (bolts and nuts, screw cutting), "Etudes et Travail des Métaux" (metallic furniture and automobile parts), "M.A.F.C.A." (automobile and railway parts), "Union des Forgerons", whose turnover is between Frs. 400 million and Frs. 1 milliard.

Thus, from the economic point of view, this professional group comprises 2 Co-operatives which have attained an exceptional degree of development in Workers' Production, 6 Co-operatives which have attained a remarkable degree of development, and 39 Co-operatives whose level of activity lies between the medium-sized and semi-artisanal enterprises.

### A. SPECIALISED GROUPS.

Workers' Co-operative Societies in the Metal Industry can be classified in four large professional groups -

1.

Group 1. Metallurgical Co-operatives, auxiliaries of building construction.

7 Co-operatives (turnover 1,600,000,000), amongst which the E.T.C.M. has acquired an international reputation in the construction of portable cereal silos.

Group 2. Optical, Electric, Electronic, Telephone, Radio.

8 Co-operatives (turnover 4,300,000,000), the giant of which is the A.C.I.P. whose "telephone" branch is the fifth largest French enterprise of its profession. It is the only French telephone enterprise which uses solely national capital. The development of the "telephone" branch has been rather retarded in the last three years by the reduction of public investment programmes. On the other hand, the "measuring instruments", "electronic" and "gyrocompass" sections have experienced a rapid expansion, which is only limited by the Co-operative's possibilities of investment. With its 1,200 workers, 800 of which are members, the A.O.I.P. is a legitimate source of envy to the French Workers' Co-operative Production. Its expansion, however, creates specific problems of finance and organisation, which exceed the traditional framework of Workers' Co-operation.

Of more classic dimensions, although it has experienced a remarkable development over the last 10 years and technically has reached the height of its profession, is the Society A.C.O.M.E. whose turnover is approaching one milliard.

Next come 6 Optical Co-operatives or Co-operatives for the installation and lightweight construction in electricity and telephones, 3 of which are of recent establishment and seem destined for an important development.

Group 3. Clock and watch making, general mechanics.

17 Societies (turnover Frs.850 million). The Valence clock-making group with its largest society "Boimondau" (Dauphine watch cases) and its two sister Co-operatives "Centralor" and "Cadreclair", although only recently established, has attained an enviable development. Boimondau is particularly well situated as regards export and sends its watch cases to the U.S.A. and U.S.S.R., even Switzerland, which geographically is easier, but from an economic point of view rather remarkable.

There are 15 general mechanical societies of varying importance and with very diverse activities, which are like auxiliaries of the big industry. Some of them are also suppliers or sub-contractors of the A.O.I.P. or A.C.O.M.E.

Group 4. Smelting, heating apparatus, kitchen and refrigeration equipment, coach building, metallic furniture, various branches of metal working.

15 Societies (turnover Frs.4,100,000,000). The most important of them is one of the doyen of Workers' Co-operative Production in France and in the world: the "Famillistère de Guise", whose founder was the philanthropist Godin, a disciple of Charles Fourier. In the small town of Guise, in the North-East of France, Godin founded a prosperous business for making stoves, whose reputation spread quickly throughout the country. Godin's desire was to adapt in his enterprise the Phalansterian ideas of his Master. Having given his enterprise to the community, he created it into an organisation on a community basis, the enterprise being not only a place and a means of fraternal and equal work, but a centre of solidarity and culture.

The "Famillistère de Guise", having passed through certain adaptations and modifications due to the evolution of habits and legislation, remains faithful to its original principles. It can be regarded as a fine social success, since before it became an institution of social security, it was taking charge of families and their members, from the cradle to the grave. It has also been an economic success: its products, which have extended from heating apparatus to gas apparatus and refrigerators, are very popular in a keenly competitive market.

"Amiens-Boutillerie", "l'Union des Forgerons", "M.A.F.C.A." and E.T.M. with turnovers varying from Frs.300 to 800 million give Workers' Co-operatives a good position in such diverse activities as motor cars and trains, metallic furniture ironwork, bolting and screw-cutting.

Apart from these large Societies, there is a group of 10 in various branches, specially light smelting works and motor body building, most of which, although modest in size, have a very satisfactory level of production.

## B. GENERAL CONSIDERATIONS.

It is difficult to draw general conclusions regarding a group which includes such very diverse activities and professional customs, and which extends from the smelting works or the repairing of files, techniques which have developed very little in the last ten years, to the most advanced branches of electronics.

It is not to the extent that the Workers' Co-operatives in Metal Working bring together technicians and workers belonging to one of the technically most developed sectors of the industry, that they must claim all our attention.

It is only to the extent that Workers' Co-operation will progress in these activities that one can hope to see it develop to the same rhythm as the general industrial development, and take an increasing part in national production. But the development of Workers' Co-operatives, in the general branch of "electrical working of metals" comes up against the weight of investments necessary to provide the enterprises with the satisfactory means of work.

In a report to the last Congress of the Confédération Générale des Coopératives Ouvrières de Production it was calculated that in a building enterprise which wants to keep itself at a competitive level investments must lie between Frs.350,000 to Frs.400,000 per head of the workers. In general mechanics, the sum is Frs.900,000 per head, in telephones Frs.1,400,000 and in electronics Frs.2,000,000.

Considering that the individual capital of the Workers' Productive Co-operatives comes entirely from their member technicians and workers, and that their collective capital depends upon the results attained, it is obviously very difficult to create Co-operatives in these branches, or to develop those which exist. This is one of the reasons why, during the last Congress, decisions were taken with a view to creating means of collective financing to allow the creation of new Co-operatives in the most developed branches of modern industry and to encourage the expansion of existing Societies.

On the other hand, the growing importance of scientific factors in these activities demands an appeal for a personnel of engineers, more and more numerous and more highly qualified, which it is not always possible to recruit by promoting workers, the method by which French Workers' Co-operative Production hitherto owes nearly all its cadres.

On this point also, the 19th Congress of the Confédération in June of this year took decisions which must bear fruit in the coming years.

Nevertheless, whatever may be the efforts employed within the Movement, it must be remembered that the workers' co-operative form is not applicable to certain vast industrial groups which demand the concentration of technical, financial and human means which are only available to mighty international capitalism or public powers.

But, it is not remarkable that these great groups themselves tend more and more to devote themselves to the great essential tasks of production by entrusting many annexed activities to branch or satellite enterprises.

It is in this domain that Workers' Co-operatives in metal and electric construction, if, on the one hand, they know how to provide the necessary organisation, and if, on the other, general tendencies do not go against them, must find practically unlimited field of activity.



G R E A T   B R I T A I N

BRITISH PRODUCTIVE SOCIETIES ENGAGED IN METAL WORK.

1. Walsall Lock and Cart Gear Ltd. This is the oldest-established of the existing Co-operative Productive Societies. It was registered in 1873 and started business in rented premises. In 1892 land was leased and they built their own factory. Later the freehold of the site was purchased and so the premises are now completely owned by the Society.

The Society was started as a direct result of a labour dispute in the chain-making industry. Money subscribed by miners from the nearby Cannock Chase coalfield to assist the 'locked-out' chain-makers was used, in part, to establish their own workshop. The total capital at the time of registration was £83; share capital now stands at £62,618. Membership at commencement was 15 workers and one retail co-operative society. The present membership and shareholdings are as follows -

|                             | <u>No. of Members</u> | <u>Share Capital</u> |
|-----------------------------|-----------------------|----------------------|
| Workers .....               | 356                   | £38,512              |
| Co-operative Societies .... | 14                    | 1,350                |
| Trade Unions .....          | 1                     | 1,606                |
| Others :.....               | <u>174</u>            | <u>21,150</u>        |
| Total                       | <u>545</u>            | <u>£62,618</u>       |

The total wages bill for 1958 was £165,279 covering the following workers -

|                   |            |
|-------------------|------------|
| Adult men .....   | 168        |
| Adult women ..... | 208        |
| Persons under 18. | <u>24</u>  |
| Total             | <u>400</u> |

Sales of productions for 1958 were as follows -

|  |                 |
|--|-----------------|
| <u>To</u> Co-operative Societies ..... | £ 413           |
| Central and Local Government .....     | 31,536          |
| Export .....                           | 174,490         |
| Other Trade .....                      | <u>142,540</u>  |
|  | <u>£348,979</u> |

The bulk of the production is of locks and padlocks which bear the trade name of "Zeni". Chain-making is still undertaken and some production of harness fittings for the export market. For special orders chains are still made by hand but mainly this work is carried on by up-to-date electric welding.

Since the commencement of this Society the Board of Management has been entirely composed of worker representatives.

In 1958 a surplus of £20,569 was made after allowing for share interest. Of this £18,750 was allocated to workers as bonus on wages equivalent to 12½% of the annual wages.

2. Leicester Carriage Builders and Wheelwrights Ltd. This Society was established in 1903 mainly for repairs to, and the building of, horse-drawn and hand-propelled vehicles. Now it is concerned primarily with the building and repair of motor vehicle bodies. Special attention is now devoted to the design and building of travelling shops.

Commenced with a capital of £31, its share capital is now £11,285. The members and their respective shareholdings are as follows -

|                              | <u>No. of Members</u> | <u>Share Capital</u> |
|------------------------------|-----------------------|----------------------|
| Workers .....                | 48                    | £ 687                |
| Co-operative Societies ..... | 79                    | 8,866                |
| Others .....                 | <u>104</u>            | <u>1,732</u>         |
| Total                        | <u>231</u>            | <u>£11,285</u>       |

The sales for the year 1958 were as follows -

|           |                              |                |
|-----------|------------------------------|----------------|
| <u>To</u> | Co-operative Societies ..... | £68,000        |
|           | Other trade .....            | <u>5,928</u>   |
|           | Total                        | <u>£73,928</u> |

After providing for share interest amounting to £845, this Society had a surplus of £8,738 on last year's working, and £2,500 of this was paid as bonus to workers at the rate of 7% on wages.

The number of employees is as follows -

|                   |           |
|-------------------|-----------|
| Adult men .....   | 56        |
| Adult women ..... | 2         |
| Persons under 18. | <u>6</u>  |
| Total             | <u>64</u> |

## I T A L Y

### CONFEDERAZIONE COOPERATIVA ITALIANA

#### 1. Characteristics of this type of Co-operative.

Co-operation in the sector of industry, as is well known, is one of the most profound aspirations of modern social organisation as a whole.

The International Labour Office, Unesco, the I.C.A. and all the other international Organisations proclaim it and support it as the democratic and social solution in all countries, but above all in the so-called "under-developed" countries, as a logical transaction between the artisanal and the industrial form.

If Co-operation in industry has many opportunities for success in countries where industrial life is just beginning, it finds on the contrary extraordinary difficulties in asserting itself in countries where private and capitalist industry has already attained a high degree of development.

There are also many branches of industry, and those of mechanics and metallurgy have doubtless characteristics which can hinder development when capital is too modest and equipment is insufficient. Consequently, in Italy, very few Co-operatives have established themselves in this particular sector, and they represent a very small percentage of total Italian production.

The first Italian Co-operatives in the mechanics and metallurgy industry appeared during the last years of the nineteenth century. In fact, we know of the creation in 1883 of the "Società Cooperativa Fonderie" of Sampierdarena (Genoa).

But only since the last war have they made great strides, and for motives due more to a situation of crisis than a situation of prosperity. In fact, the majority of the Co-operatives existing today were formed by workers who formed themselves into a Co-operative to avoid unemployment following the closing down of private societies for which they worked

#### 2. Confederazione Cooperativa Italiana in this sector of Industrial Co-operation.

Twenty-four Co-operatives of this particular sector are members of Confederazione Cooperativa Italiana in the regions of Tuscany, Liguria, Venetia, Apulia, Lombardy, Emilia, Latium, Sardinia, Marches and Sicily.

They are of various types and operate principally in: naval armament, mechanical forging, manufacture of springs, motor mechanics, aluminium foundries, naval yards, mechanism for mining equipment, manufacture of metal furniture, light mechanism in electrical and optical sectors, repair of railway signalling apparatus.

### 3. Some typical examples of Co-operatives in this Sector.

The Society "C.A.I.M." (Cooperativa Armamento Imprese Marittime) Genoa, was founded on the 20th April, 1945, with the aim of reintroducing into civil life seamen and ex-service men who had been discharged.

Taking into account the working capacity of its members, the Co-operative directed its activity towards the supply of technical services and armaments.

At present it works in two distinct branches: industrial and commercial. "C.A.I.M." has two mechanical factories which specialise in two differing fields of naval technique: the repair of boats, the manufacture and repair of nautical instruments.

The factory for boat repairs is situated in a modern industrial building of two storeys, built in 1949. It can undertake mechanical work and medium and heavy metallic carpentry. This factory employs, on an average, 30 workers and a good number of technicians for work in the factory, while for work which must be carried out on board the boats the personnel must by law be engaged exclusively from workers on the rôles of the Consortium of the Port of Genoa. The number of workers employed, according to the volume of work, varies from 20 to more than 50 in the factory, and up to 35 on board the boats.

The factory for nautical instruments is equipped for the manufacture and repair of nautical and precision instruments, particularly instruments for navigation (sextants, magnetic compasses, graphometers, deviascopes, mechanical soundings, supersonic echometers, revolving compasses, radio-goniometers, etc.) This factory employs an average of 20 workers, but the number varies between 10 and 30 according to the work undertaken.

At the time of preparing this report, the Co-operative had in hand much manufacturing and repair work on nautical instruments for various customers as well as the manufacture of nautical instruments for sale, transformation work in one sector of the factory and the repair of various instruments.

It is seen that "C.A.I.M." has an intense commercial activity, closely linked to industrial activity, which is complementary to it, by the sale of materials of its own manufacture and those for which it is an agent as well as by direct sale in its branches and through a vast network of agencies established in the most important Italian and many foreign ports; representation of State agencies as well

as important Italian firms handling navigation instruments. It possesses a nautical library which specialises particularly in the collection and distribution of maps and nautical documents of an official character indispensable for navigation, published by Italian and foreign official bodies.

The Co-operative "La Fabromeccanica" was established at Binasco (Milan) on the 2nd December, 1945,

a. To undertake, by order or by tender, the execution of iron work, general mechanical work, handling and trade in metals, tools, machine tools, etc;

b. To encourage all initiatives which can contribute to the improvement of the economic, cultural and professional conditions of its members,

This Co-operative made great strides and two years after its foundation it was already established in carpentry and the production of iron fittings, executing orders for the large Italian firms.

The most difficult problem at first was to train the workers by means of courses of instruction, the Society being responsible for the costs of courses for apprentices at trade schools.

The Society also undertook a certain amount of work of an artistic character such as the manufacture of doors and windows for certain banking houses at present under construction.

Another typical case is that of the Co-operative "Officine di Persiceto" of St. Giovanni in Persiceto (Bologna), established in 1936 for the industrial manufacture of springs. Since it commenced its activity, by work then exclusively done by hand, the Co-operative, after the first years, has obtained progressively 4 automatic machines for the manufacture of springs of a very large variety, a complete installation for hardening the metal, pressing lathes, emery polishers, crucibles, calibrating apparatus and all that is necessary for its constantly increasing volume of work. This Co-operative also owns properties which are in the course of enlargement.

During the past year manufactured goods surpassed 200 million lira, mostly springs and teeth rakes for mowing machines.

The Co-operative "Meccanica", Cologne (Brescia) on the contrary, has concentrated particularly on the repair of motor vehicles. It was founded in August 1945 and is constantly developing.

The Co-operative "Costruzioni Navali", Ostia-Lido (Rome) was established in November 1945, on the initiative of several groups of the "S.A.I.M.A.N." and of "Ala Italiana" who, immediately after the war, were without work and without means.

This Co-operative has specialised in the construction of light boats which they supply especially to State administrations. It is able to design and build any sort of floats of this type. The Co-operative possesses an industrial set-up which, for its apparatus and installations, its technicians and workers, can be considered, of its type, as the most important workshop for naval construction of the Tyrrhenian coast of Latium. Its mechanical factory, specialising in the overhauling of motors, is worthy of special mention.

The Co-operative "S.A. C.O.M.", Carloforte (Cagliari) was established in 1921 by a group of workers formerly employed in the old Bernard Establishments, and had for its objective the execution of mechanical works for the mining industry. In a very short while its personnel had risen to 100 workers. It owns 4 sheds with many machines, horizontal lathes, moulds for the casting of metal, forges, rock-drills, welding apparatus, etc.

The Artisanal Workers' Co-operative "E.Torricelli", Florence, has specialised in the manufacture and repair of machines and fine mechanical apparatus in the field of electricity and optics. It was established on 14th October, 1954, by workers from the Galileo factories, for which the Co-operative continues to work under special contract.

The Co-operative "Elettromeccanica Tarantina", Tarante was formed on the initiative of a group of unemployed electricians

At present it has in hand a certain amount of work for the Italian State railways in the Bari district as well as work for the Military Maritime Arsenal and other important Societies.

This work includes the manufacture of transformers, installations of signalling and security for electric lighting and motive power, construction and upkeep of electric lines at high and low tension, the construction and repair of mechanical engines.

A similar activity is undertaken in the province of Verona by the Cooperativa Elettromeccanica.

The organisation of the Co-operative "Idraulici Castenedolo", Brescia, is based on a factory specialising in large-scale mechanics including a Pittler lathe with vertical turrets, a Fortuna parallel lathe, a Nebiolo parallel lathe, a Hamilton parallel lathe, a Cincinnato universal mechanical milling machine, a Milwaukee horizontal mechanical milling machine, a Pratt and Whitney horizontal milling machine, a Benker vertical milling machine, three drills, an Ernault drilling machine, a Reinecker cone-shaped cam, three rectifying machines, emery polishers, etc. Normally it produces burners for thick naphtha "Self-Service", covered by two patents in the name of the Co-operative. This burning gear is composed, for its electrical part of self-acting pieces of the "Sauter" firm and for its mechanical part of pieces made entirely - in eight different capacities from 5 to 110 kilos of naphtha per hour - in the factory of the Co-operative.

#### 4. Problems.

In spite of the facilities accorded by the law, which have given certain advantages to co-operative enterprises, especially at the time of their establishment and beginning of their activity, there exists in Italian legislation an obligatory and restrictive rule as regards the amount of share capital and capital subscriptions which constitutes a restriction disadvantageous for the development of Co-operatives in this sector which, perhaps to a greater degree than their specialised sister Societies in other sectors, have a greater need of capital for their productive organisation.

This rule, contained in the Law of 15th February, 1949, No.33, in effect permits the payment of dividends due only on condition that the Co-operative Society has a paid-up share capital of not more than 3 million lire.

Although it is true that for the tributary law the term "share capital" is used in the juridical and technical sense as the total of shares and capital subscriptions subscribed by the shareholders and, consequently, the legal reserves and all that is calculated in order to determine the registered inheritance does not contribute to the formation of share capital, the maximum limit of capital allowed today is absolutely inadequate to be able to organise the social administration effectively.

These strictly limited maximum amounts of shares and capital subscriptions prevent the Co-operatives, especially those already established, from possessing that liquidity of funds which today is indispensable for the purchase of machines and equipment, the most modern of which assure a sufficient return to enable the co-operatives to compete with private capitalist enterprises.

In order to assure more ample possibilities for development to Co-operatives generally, and to those of the metal mechanic sector in particular, Confederazione Cooperativa Italiana has already proposed to the appropriate Government authorities the abolition, or at least the raising, of the insufficient limits of shares and capital mentioned above in industrial co-operative enterprises.

It can be said that the present possibilities of developing Co-operation in the mechanical and metallurgical industry in Italy are hampered by the domination of capitalist enterprise, while the future possibilities are closely linked to the eventual levelling of the laws which govern productive and labour Co-operation. Competition, on the contrary, gives no cause for anxiety, as all the existing Co-operatives in this category have shown themselves capable of competing, with excellent possibilities of success, with the best private enterprises.

## I T A L Y

### LEGA NAZIONALE DELLE COOPERATIVE

#### Origins.

The Co-operative Productive Society was defined by Luigi Luzzati as "the apex of people's associations", its primary objective being to promote the moral and economic progress of the workers, while the economist Ugo Rabbeno made it the subject of a careful study in seeking the solution of the workers' problem. It had its beginnings in the second half of the last century at the time when the first workers' productive associations were established. In view of the seriousness with which they were established, these associations had quickly to prove that they would be successful as an instrument for the economic improvement and emancipation of the ever increasing number of workers' groups.

We do not wish to speak at length here, although it would be useful, of the conditions in which these first Productive Co-operatives developed, of their origin, of their place in the evolution of the social and economic phenomena of our country. But it must be mentioned that, from the beginning, Luzzati was particularly interested in them and made a profound study of their themes, problems and aspirations.

This eminent political figure often praised the sacrifice of the workers who, having suffered a setback at the time of a strike, created Co-operatives and for a very long time renounced their wages to keep them alive. Luzzati quite rightly said that he knew of no other examples like some he cited of groups of workers, the losers in a factory strike, who slowly won such general confidence that often the employer, against whom the strike was directed, eventually decided that he was doing good business and a good deed by handing his enterprise over to these workers.

Leaving on one side the many other forms of Industrial Co-operation, we are concerned here with those of the metallurgical and mechanical sector. In 1888 there existed in Italy, amongst others, 9 Societies of Blacksmiths and Mechanics, for example, the Society for Iron Workers of Sampierdarena, established in 1883 following a strike of boiler makers in the Ansaldo works. In 1887 it had a capital of 39,000 lire and a reserve fund of 17,000 lire, and in one year realised a surplus of 12,000 lire; it worked successfully for the State and individuals, with the sole aim of providing work for a larger number of its members by increasing its activity.

Today other more important forms of Co-operation have developed, but it is in the metallurgical and mechanics sector that one finds the most interesting initiatives.

Mention should be made of the constitution of the Workers' Co-operative for the manufacture of Files, established in 1891 at Grugliasco (Turin), which is still one of the most important factories of its kind; also of the establishment in 1903, on the



initiative of 127 metallurgical workers - practically the whole of the S.Andrea factory (today the "Cantieri Reuniti dell'Adriatico) - of the large Trieste Co-operative, which took the form of an economic industrial consortium.

In 1957 at Genoa the Metallurgical Co-operative of workers of the Port was established, which had 250 members and a capital of 650,000 lire; yet another example is also the Boiler-makers' Co-operative, with its headquarters at Cornigliano, which comprised 85 members and had a capital of 422,000 lire.

The activity of Industrial Co-operation was slowed down by the 1914-18 war, but it resumed activity immediately afterwards, above all to find some remedies for the acute unemployment.

On the initiative of the National League of Co-operatives which, for more than 30 years was the only National Co-operative Association in Italy, the Consortium of Metallurgical Workers' Co-operatives was constituted at Genoa in 1919. It comprised 8 Co-operatives and had a capital of 520,000 lire. These figures show that the Italian workers had great confidence in Co-operation and accepted its aims very seriously.

The constitution of the Consortium concluded a period which had seen the most brilliant examples and most audacious realisations in the field of Metallurgical and Mechanical Co-operation.

During the fascist period, 1921-45, after the destruction of the central organs of the Co-operative Movement, Productive Co-operation, more particularly the Metallurgical and Mechanical Co-operatives, declined, and it is not surprising that even from the numerical point of view it lost much of its force.

#### The Revival and the Development.

In the period following liberation, that is during rehabilitation, Workers' Co-operation resumed its rôle, but the immense task of reconstruction which had to be accomplished, the lack of qualified leaders, the insufficiency of financial and economic means, made it all the more difficult.

The lack of technical organisation and contracting - which, naturally, are two of the most delicate and most important aspects of co-operative economy, and which, to some extent, conditions its production, increases employment and animates working traditions - together with the lack of qualified workers, were the direct consequence of activity having been limited by the war, combined with increases in cost prices. In other words, purchasing power was declining; it became difficult to put products on the home and foreign markets. In short, all these factors resulted in less work and the partial inactivity of the enterprises.

The problem of production costs, in which all the other problems mentioned are reflected and comprised, was and is connected with the problem of credit, which only to a limited extent can meet the need of the Co-operatives to modernise and increase

their equipment in order to lower production costs. All this naturally reflects on the tendency to improve the product both as regards quality and quantity, the importance of which Italian Co-operation has always appreciated.

It must be emphasised that, although the technical and economic situation may have retarded their development, the Productive Co-operatives, and particularly those in the metallurgical and mechanical sectors, have proved that they can adapt themselves to new productive orientations, in spite of the difficulties they have to face, and to new market conditions. The efforts which have been made in this connection have manifested the spirit of sacrifice and the initiative of their leaders.

Numerous enterprises have also drawn up programmes to renew, increase and modernise their equipment in order to undertake new productions. But it is clear that, in part at least, they are dependent on the existence of more favourable conditions, as regards financial possibilities, the supply of raw materials, or the facilities for buying machines and tools.

The progress accomplished in the sphere of export, occasional and transitory exports as well as traditional and regular exports, must be emphasised, and will be greater and more important as soon as new and more advantageous relations and agreements are established with foreign Co-operative Movements. It must be remembered in this respect that the Metallurgical and Mechanical Productive Co-operative is today represented everywhere by products which show its creative spirit and capacity of realisation, and responds more and more to the demands of modern techniques. Co-operative productions are equal to and compete with the products of medium and small industrial enterprises.

In future Metallurgical and Mechanical Productive Co-operation will be able to meet the competition of certain regional and national markets, for it has acquired a prestige and an authority, from the fact that its products are of good quality and its production is very important.

It is impossible to present all the different activities of a sector which embraces dozens of trades and branches of production, not to mention industrial administration linked to the sector of transport and the transformation of agricultural products, but it seems useful to indicate the principal branches which characterise its activity -

Control boards; dental equipment; ploughs and agricultural machinery; metal furniture; weigh bridges for roads and railways; coach-building; metal framework; lifts and conveyors; foundries for cast iron and bronze; equipment for railway signals; equipment for drying cereals; files; machinery for oenological equipment; machines for washing, cleaning and measuring citrus fruits; machine tools; models for foundries; cycle motors; electric motors; parts for machines; planing machines; automatic presses for the manufacture of metallic plugs; automatic presses for the manufacture of tiles; rough files; mobile ladders; hand-saws; metal locks; tanks for concrete mixers; weighing instruments; lathes; tractors; industrial pipe works, tools, donkey-winches, etc.

As can be seen, there is a vast range of products which offer interesting and detailed lines of co-operative production, and show the most significant aspects of its many-sided activity.

In view of such a complex production, it is necessary to emphasise the need to intensify commercial exchanges, to establish close relations with foreign Co-operative Movements and to increase appreciation of the activity of the Co-operatives of Production.

#### Present Possibilities and General Problems.

The present perspectives of this sphere of activity are inevitably influenced by the structure of Italian economy and its natural tendency to curb the small and medium sized industrial concerns and suppress them in favour of monopolies. It is just within the sector of medium and small sized enterprises that the Metallurgical Co-operative carries on its activity.

Because of this situation, the Co-operatives have been forced to attain a high level of specialisation and, on the other hand, by uniting their efforts to those of the whole Co-operative Movement, they have tried to obtain large financial resources in order to renew their equipment more rapidly and thus improve their production.

Many Metallurgical Co-operatives give evidence of this; amongst others, the Industrial Co-operative "Romagnola di Imola", which in 1945 began to manufacture auxiliary apparatus for railways, also highly specialised electrical dental equipment, which is known all over the world and the production of which steadily increases; the Grugliasco (Piedmont) Co-operative: at first a modest enterprise which manufactured files in an artisanal way, but today an important and well equipped industry and a remarkable example of modern organisation for production and trade; also the Coach-Building Co-operatives, which in very few years have passed from the repair of vehicles to making coaches, autocars, refrigerators and sanitary equipment.

The foundries of printing type are other interesting examples, particularly the Milan foundry which, thanks to the perfection of its machinery and the excellent quality of its production, is responsible for nearly 30% of Italian production.

These few examples show that the Metallurgical Co-operatives, in difficult conditions, have taken the initiative in spheres of activity traditionally reserved for the private sector, and have obtained successes which are of even greater value if one considers objective conditions.

But, beside the important successes which have shown the ability and the spirit of sacrifice of the workers under the most difficult situations, there have also been some failures, and to remove the shadow zones which still exist, requires a transformation of the whole structure of Italian economy.

The present claims of the Metallurgical Co-operatives in the sector of credit, labour and taxes, identify it with similar requests formulated by small and medium sized enterprise. Their difficulties, in fact, have the same origin, that is to say the policy of large private monopolies supported by the general orientation of our Government.

This explains why our Movement, and the Metallurgical Co-operatives in particular, must fight to obtain from the Government the assurance that the public authorities will give them more work; and why they must find other possibilities for work through the markets of the Agricultural Co-operatives which need agricultural machinery, and through the markets of the Consumers' Co-operatives which are at present concentrating upon transforming their equipment and increasing the sale of electric household appliances.

Finally, it is only fair to mention what has characterised the activity of these enterprises.

They are preoccupied not only with raising the standard of their activity so that the level of wages of their members will be higher, or at any rate not lower, than that of workers in private enterprise, but they have established forms of social welfare additional to the general forms in order to improve the conditions of their members as regards assistance during illness and in their old age.

The Societies have their place in international fairs and markets, they fight side by side with the trade union organisations wherever the workers struggle. They participate in International Co-operative Day and in National Manifestations, in the 1st of May Celebrations, in Congresses and, through their Movement to which they are closely linked, they are united with the Metallurgical Co-operatives all over the world which, like them, struggle for the emancipation and elevation of the working class.