

# THE SYNDICAL AND CORPORATIVE INSTITUTIONS OF ITALIAN FASCISM

BY

G. LOWELL FIELD, Ph. D.

INSTRUCTOR IN GOVERNMENT  
COLUMBIA UNIVERSITY



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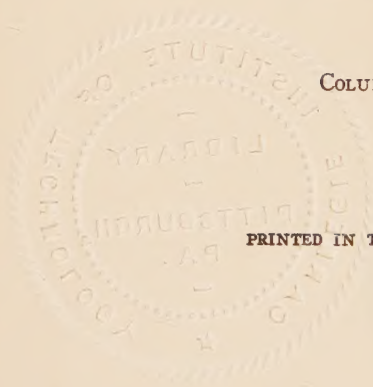
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# CONTENTS

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	PAGE
INTRODUCTION . . . . .	7

## PART I

### THE DICTATORSHIP

#### CHAPTER I

The Executive and the Fascist Party . . . . .	19
---	----

#### CHAPTER II

The Fascist Parliament . . . . .	29
----------------------------------	----

## PART II

### THE OFFICIAL SYNDICATES

#### CHAPTER III

The Legal Position of the Syndicates . . . . .	61
--	----

#### CHAPTER IV

The Structure of the Official Syndicates . . . . .	72
--	----

#### CHAPTER V

Syndical Representation . . . . .	88
-----------------------------------	----

#### CHAPTER VI

Syndical Functions: Collective Labor Contracts . . . . .	96
--	----

#### CHAPTER VII

Syndical Functions: Labor Litigation . . . . .	118
--	-----

## PART III

### THE CORPORATIVE INSTITUTIONS

#### CHAPTER VIII

The Earlier Corporative Institutions . . . . .	137
--	-----

	PAGE
CHAPTER IX	
Planning the Corporations . . . . .	154
CHAPTER X	
Debate in the National Council of Corporations . . . . .	162
CHAPTER XI	
The Establishment of the Corporations . . . . .	177
CHAPTER XII	
The Corporations in Operation . . . . .	194
APPENDIX . . . . .	205
INDEX . . . . .	207

## INTRODUCTION

ITALIAN FASCISM as a political system is characterized by three groups of special institutions: the first constituting an exceptionally thorough legal embodiment of dictatorial control; the second providing for state control of labor relations through governmental syndical bodies vested with the exclusive legal representation of capital and labor; and the third involving a less definite control over various economic activities by governmental bodies known as "corporations", which in a sense combine the official syndicates of capital and of labor. Continuous debate over the social and economic significance of these institutions has prevailed in foreign countries since the inception of Fascism as a legal régime and even the forms of the Fascist governmental agencies have frequently been shrouded in doubt. In the present study, which is of a technically political character, no evaluation is attempted of the Fascist social system as an operating whole. Instead attention is here concentrated upon an analysis of the distinctive governmental mechanisms of the Fascist state both in their formal public law aspects and also, within the limitations of available material, with respect to their actual functioning. For an understanding of these mechanisms in their present form a brief initial consideration of the historical development of Fascism has seemed desirable.

During and immediately after the World War a large section of the Italian working class belonged to political and labor organizations of the Marxian Socialist movement and a considerable following had also been attained by less radical social reformers grouped in the "Popular Party" under the sponsorship of the Catholic Church. Throughout the period of the World War the socialist organizations had consistently opposed Italian participation. The natural opposition of large property holders to these evidences of working class militancy was strengthened by a widespread hostility on the part of middle-

class groups, particularly war-veterans, to the openly internationalist attitude of the Marxist workers' organizations and to their manifestations of contempt for the symbols of the nation and for its armed forces.

In this situation local groups known as *fasci di combattimento*, "fighting clubs", were widely organized, especially in the northern part of the country, among elements discontented with the prevailing political attitude of the masses and with the consequent loss of prestige and authority on the part of the institutions of the state. These groups appear mainly to have been middle-class in composition but they received financial support and probably in many localities a certain amount of direction from persons of wealth. The characteristic activities of the early *fasci*, which were later to coalesce in the Fascist Party, were terroristic excursions against the radical parties and the labor and cooperative organizations.

While the general tone of the early Fascist movement was definitely anti-radical, the Milan *fascio*, founded March 23, 1919, contained in its membership a number of former syndicalist or socialist organizers and politicians, notably its chief spokesman, Benito Mussolini. Through the newspaper *Il Popolo d'Italia*, which he had owned and edited since 1915, Mussolini had secured a following among radicals who had turned nationalistic and during the war his journal had circulated with semi-official sponsorship among the troops as an antidote to the pacifism of the regular socialistic press, with which he had been formerly associated. In part because of their control of *Il Popolo d'Italia* and in part through ceaseless political manoeuvring the Milan Fascists were able to gain recognized leadership over the other *fasci*. As this leadership became more and more assured and as any prospect of winning a significant working class following became less and less a practical possibility, the original vaguely radical program of the Milan group with its declarations for a capital levy and for high inheritance taxation gave place to pronouncements of a nationalistic and

chauvinistic character, to denunciations of the current wave of strikes and of the Marxist parties, and to the enunciation of a doctrine of the collaboration of all classes and interests in building up the strength and glory of the Italian nation. Finally in November, 1921, the early development of Fascism was completed with the decision of a congress held at Rome and dominated by the Milan leaders to convert the loose federation of the local *fasci* into a unified National Fascist Party.

By the time Fascism had adopted the form of a political party a veritable civil war had been fought in a multitude of bloody local encounters between the Fascist squads and the various working class organizations. After the failure of the movement for the occupation and operation of the factories in the Summer of 1920, with its consequent disillusionment among the leftist workers, Fascism had been more and more often the victor in the continuous street fighting and riots. In the complicated political situation within and outside of Parliament rapidly changing cabinets refrained from direct intervention in the civil struggle. Thus the Fascist forces came to be regarded by those who feared the consequences of working class militancy as patriotic defenders of order and of the national tradition in the face of a practical abdication by the official government. Subordinate elements in the state machinery, however, can hardly be considered to have been neutral for the Fascist squads were undoubtedly aided by some of the higher officers of the army and often received the benefit of a deliberate blindness on the part of the police.

In the Summer of 1922 the largest political groups in the Chamber were the Socialists, mainly from Northern Italy, and the Catholic "Popular Party" chiefly elected from the South, while the remaining seats together amounting to about half of the Chamber were mostly occupied by various liberal and middle-class groups. Any lasting coalition would have had to include more than one of the three main groups and since that was impossible cabinets of little prestige came and went, pre-

senting a picture of ineffectuality that was seized upon and capitalized by the Fascists and by the Nationalist Party, an openly conservative group, which now came to align itself with them. Continued absence of stable control over the governmental machinery made it possible for the Fascist squads in the early Autumn of 1922 to transform their strike-breaking guards at the various railroad stations and telegraph offices into what amounted to forces of occupation and by the month of October even to take a similar practical control over the police headquarters and prefectures throughout much of Northern Italy and in some of the Southern cities.

On October 24 a Congress of the Fascist Party met at Naples and openly discussed the seizure of power. Armed Party squads then began to assemble near Rome and Mussolini announced a prospective march against the capital. In the meantime the ministry headed by Facta had resigned but as an interim government it proclaimed martial law against the Fascist invasion, only to withdraw the decree when it failed to receive the royal sanction. The King, impressed with the likelihood of civil war, then summoned Mussolini to Rome to form a government, and the Fascist chief, who had retired to Milan to await events, reached the capital somewhat in advance of the majority of his "invading" forces. That the poorly armed and largely undisciplined Fascist squads could have overthrown the existing government if determined military resistance had arisen is improbable. The decision to make an ostensible capitulation has plausibly been ascribed to members of the high military command who led the King to believe that the army could not be relied upon to fight the Fascists.

As prime minister Mussolini proceeded to entrench Fascism in power. The status of an official institution, the Voluntary Militia for the Security of the State, was conferred upon the formerly private armed squads of the Party. In spite of official utterances against violence considerable freedom was allowed this Militia to deal forcibly with the more outspoken oppon-



ents of the Régime. Although certain representatives of the *Popolari* and the liberal groups were initially included in the cabinet the Fascist and Nationalist deputies, a very small minority, were the main block of votes on which Mussolini could rely. Parliament was not, however, dissolved until 1924. The deputies, instead, were given definitely to understand that the Fascist cabinet would not yield to mere votes of no confidence. By means of threats and through taking advantage of the illusion of many moderate deputies that Fascism would become less intransigent after the experience of office Mussolini for about a year secured the legislation which his government required from the parliament which had been in existence at the time of the March on Rome. Then at the close of the session of 1923 he succeeded in forcing through both houses an electoral law which practically assured to the Fascists the control of future legislative assemblies.

Under the new legislation the country was divided into fifteen large constituencies in each of which slates of candidates were to be nominated by the various political groups. The votes received by each party were to be assembled and totaled for the nation as a whole and the party receiving nationally the largest vote, if more than one-fourth of the total, would elect two-thirds of the deputies from each constituency and consequently a two-thirds majority in the new chamber. The remaining seats for each of the constituencies would then be assigned to the other parties in proportion to their local votes. A so-called "National List" sponsored jointly by the Fascist and Nationalist Parties and containing candidates carefully selected mostly from those parties by a few of Mussolini's close associates easily won the required plurality in the election of 1924. In certain favorable constituencies, moreover, "second Fascist lists" managed to get a part of the seats assigned by law to the opposition.

From the standpoint of political strategy the Fascist vote-grab embodied in the 1923 electoral law should either have



been all-inclusive or should not have been made at all. While on the one hand the two-thirds to one-third principle assured voting control to the Fascist-Nationalist coalition, on the other, with equal inevitability, it produced a compact group of minority deputies who, though powerless in voting strength, were a public symbol of the numerical under-representation of the parties to which they belonged. From the beginning of the first session of the new Parliament certain of the minority deputies availed themselves of every opportunity not only to denounce the legal mechanism of the 1923 voting system but also to expose the many instances of intimidation and violence on the part of the Fascists which had marked the elections in various sections of the kingdom. While the government could always count upon the ultimate passage of the bills which it sponsored, the minority deputies refused to take the role which the Fascists declared to be the proper one for Parliament, that of mere technical criticism and legal draftsmanship. Steadily the atmosphere of the Chamber of Deputies became more tense and hostile. Then in the second month of the session a crisis arose which made a continuance of the old forms impossible. Matteotti, leader of the Socialist deputies, disappeared and shortly after was discovered to have been murdered. Responsibility for the crime was found almost immediately to rest with a small group of Fascists closely associated with the Prime Minister.

The opposition now would hear of nothing but the resignation of the cabinet and the holding of new elections, on the basis of proportional representation. Mussolini's first move was to increase the stake of his Nationalist allies in the cabinet by assigning them additional positions in order to forestall their possible defection. With this accomplished, he faced Parliament and the growing revulsion of feeling in the country with a flat refusal either to resign or to hold new elections. Most of the opposition now refused to attend the sessions of the Chamber and, according to the classical phrase, retired to the Aventine.

Having found it possible to weather the storm of the Matteotti crisis, the Fascists proceeded with the consolidation of their power. First, the press was subjected to regulation and was eventually for the most part brought into Fascist ownership. Then, at the beginning of 1925, Mussolini gave notice that the opposition would be suppressed by force. During 1925 and 1926 restrictive measures adopted by the Fascist Parliament put an end to legal opposition. Mussolini's title was changed to Head of the Government and the other ministers were made subordinate to the new chief executive, who was declared to be responsible to the king alone. Attacks upon the Head of the Government were made punishable by death, the opposition parties were legally dissolved, and their journals were prohibited.

Only after the consolidation of power in the Fascist Party were any distinctive governmental institutions produced by Fascism. The system of compulsory arbitration of labor disputes and exclusive representation of capital and labor through governmentally controlled syndicates was inaugurated by legislation issued in 1926; and the other typically Fascist institutions, the so-called "corporations", economic regulatory bodies, came into existence only in 1934. From a somewhat earlier period, however, some theoretical foreshadowings of these institutions began to appear.<sup>1</sup>

Early Fascism boasted the lack of any clearly defined political doctrine. The attitudes, not formally rationalized, which brought together the first Fascist groups have already been referred to, but these alone did not suffice for the construction of a firmly knit political machine in the controversial political atmosphere of post-War Italy. Mussolini in 1921 determined that Fascism must have a formulated political theory, and that forthwith. In a letter to one of his associates he declared:

<sup>1</sup> For the early history of Fascism see Schneider, *Making the Fascist State*, New York, 1928.

If Fascism does not wish to die, or worse still, to commit suicide, it must provide itself with a doctrine. . . .

The word which I am about to use is a great one, but indeed I do wish that during the two months which are still to elapse before our National Assembly meets, the philosophy of Fascism could be created.<sup>2</sup>

When the philosophy of Fascism eventually evolved, though not with quite the rapidity for which the Duce hoped, it took on the forms of idealism. In an oration delivered in 1930 Mussolini declared:

This political process is flanked by a philosophical process; if it be true that matter was on the altars for one century, today it is the spirit that takes its place. All manifestations peculiar to the democratic spirit are consequently repudiated; easy-goingness, improvisation, the lack of a personal sense of responsibility, the exaltation of numbers and of that mysterious divinity called "the People." All creations of the spirit—starting with those religious—are coming to the fore, and nobody dares keep up the attitude of anticlericalism which, for several decades, was a favorite with Democracy in the Western world. By saying that God is returning, we mean that spiritual values are returning.<sup>3</sup>

Life was declared to be a struggle and it was "good for it to be so."

Today we can indulge in wars, economic battles, conflicts of ideas, but if a day came to pass when struggle ceased to exist, that day would be tinged with melancholy; it would be a day of ruin, the day of ending.<sup>4</sup>

Life for the Fascist is a continuous, ceaseless fight, which we accept with ease, with great courage, with the necessary intrepidity.<sup>5</sup>

<sup>2</sup> Mussolini, *Fascism, Doctrine and Institutions* (in English), Rome, 1935, note 1, pp. 33-34.

<sup>3</sup> *Ibid.*, note 3, p. 35.

<sup>4</sup> Mussolini in 1920, *ibid.*, note 4, pp. 35-36.

<sup>5</sup> Mussolini in 1927, *ibid.*, note 6, p. 36.

The State in Fascist theory is made the end and purpose of human activity.

Fascism has restored to the State its sovereign functions by claiming its absolute ethical meaning, against the egotism of classes and categories; to the Government of the State, which was reduced to a mere instrument of electoral assemblies, it has restored dignity, as representing the personality of the State and its power of Empire.<sup>6</sup>

The Fascist State, as well as constituting an independent personality and will, above the individuals who composed it, was to be inclusive of, and dominant over, all human activities, a concept expressed in the formula: "everything in the State, nothing against the State, nothing outside the State."<sup>7</sup>

Finally, and more specifically, the Fascist State was to embrace and control a system of organizations including separately in "syndicates" and jointly in "corporations" the employers and workers in all fields of production. The class struggle was to be overcome by the imposition of the final arbitration of the State in all disputes in which the official Fascist leaders, provided for both capital and labor, could not reach an amicable agreement. Through the corporations, both factors of production, acting under the supervision of the State, were to provide for the "self-discipline" of their various economic activities. In the development of these institutions the so-called Corporative State was to be created:

We have constituted a Corporative and Fascist State, the State of national society, a State which concentrates, controls, harmonises and tempers the interests of all social classes, which are thereby protected in equal measure. Whereas, during the years of demoliberal régime, labor looked with diffidence upon the State, was, in fact, outside the State and against the State, and considered the State an enemy of every day and every hour, there is not one

<sup>6</sup> Mussolini in 1928, *ibid.*, note 11, p. 38.

<sup>7</sup> *Ibid.*, note 15, p. 40.

working Italian today who does not seek a place in his Corporation or [syndical] federation, who does not wish to be a living atom of that great, immense, living organisation which is the national Corporate State of Fascism.<sup>8</sup>

Broadly speaking, the first concern to which Fascism devoted its attention was its own engraftment into the machinery of the Italian state beyond any threat of being dislodged by the ordinary fluctuations of public support. This process, accompanied outside the governmental mechanism by the Fascist operations for the suppression of the old labor organizations, may be considered to have been completed by 1925. In the following year the legal basis was laid for governmental regulation of labor relations through official syndicates and from then until 1934 much of the organizing activity of the Fascists was devoted to the process of developing this syndical system. Since that year internal policy, somewhat complicated by the Ethiopian colonial enterprise, appears to have been devoted to a broader system of state economic control embodied in the Fascist "corporations." These three types of Fascist governmental activities will be considered in the following pages in the general order in which they arose.

<sup>8</sup> *Ibid.*, note 16, p. 41.

PART I  
THE DICTATORSHIP





## CHAPTER I

### THE EXECUTIVE AND THE FASCIST PARTY

THE dominant feature in the formal structure of the present Italian state is the supreme authority of Mussolini as dictator. In Italy (as also in Germany) the personal dictatorship of one man, clearly recognized by statutory provisions, is apparently intended to continue as a permanent institution beyond the lifetime of the present incumbent. The essential basis of Mussolini's power, however, resides not only in the dictatorial office of Head of the Government which he holds, but more fundamentally, in his leadership of the Fascist Party.

Through the creation in 1925<sup>1</sup> of the office of the Head of the Government a status more consonant with Fascist ideas was substituted for the position of parliamentary prime minister then held by Mussolini. In contrast with the former responsibility of the ministers to parliament, the Head of the Government was made responsible to the king alone, and the other ministers were made responsible both to the Head of the Government and to the king. The king was authorized to appoint and remove the Head of the Government, and on the latter's advice the other ministers.

While in the former parliamentary Italian state the royal power had in practice been limited to the choice, after one ministry resigned, of some politician likely to be able as prime minister to build up a workable coalition, with the disappearance under Fascism of cabinet crises of the old type through the legislative as well as forcible suppression of opposing political organizations, the king's role in government became practically nil. Technically, the king under the Fascist legislation has the right to dismiss the Head of the Government and to choose from an official list<sup>2</sup> a new incumbent for that position.

<sup>1</sup> Law of December 24, 1925, No. 2263, "Attributes and Prerogatives of the Head of the Government."

<sup>2</sup> See below, p. 26.

It is even provided that a decree for this purpose need be counter-signed only by the person whose appointment it effects and not by the incumbent Head of the Government. Only a disintegration of the dominant Fascist Party into factions, as might perhaps occur at the death of the present leader, would, however, be likely even temporarily to give a content of reality to the legal supremacy of the throne.

Legal authority has been conferred upon the Head of the Government to coordinate the activities of the other ministers and through the issuance of royal decrees to modify at any time the number, composition, and attributes of the different ministries. Even without these provisions the Head of the Government would have no difficulty in controlling the other ministers, who are in fact his personal appointees and hold office only during his pleasure. A doctrine of "rotation in office" has been advanced to explain the sweeping changes that occasionally occur in the cabinet of the dictator. It would thus appear that Mussolini tries the potential leaders of the Régime for limited but not specified periods in positions of authority of various types and notes their aptitudes as the basis for future appointments after periods of comparative seclusion from public life. The implication that in this manner persons may be so trained as to be suitable for succession to the dictatorship is generally left unexpressed. For considerable periods at different times, moreover, several of the more important portfolios have been in Mussolini's own hands. Since the entire administration is centralized and dependent upon the national ministries, Mussolini is effectively in command of all the administrative services and of the armed forces of the state. The dictator's powers, moreover, would not necessarily pass irretrievably from his hands even if for a time he were unable personally to exercise them, for the Head of the Government is authorized by law to appoint a substitute to exercise the powers of his office in case of absence or incapacity.

In addition to his dominant position in the executive arm,

the Head of the Government has legal oversight of the legislative field as well. No matter may be discussed in either house of Parliament or in the other national deliberative assemblies, the Grand Council of Fascism, the National Council of Corporations, and the councils of the various corporations, without his consent to its inclusion in the agenda of the body concerned. The spontaneous introduction of criticism or of independent legislative proposals without the consent of the dictator is thus effectively ruled out. Besides controlling the proceedings of those bodies having some part in the legislative process this modern "mayor of the palace" himself possesses a practical power of positive legislation. Technically, the power to issue decree-laws is vested in the Council of Ministers acting by royal decree. Since, as has been indicated, the Head of the Government dominates the other ministers, the functions of the ministry as a collective body, of which the decree-law power is the most important, must realistically be regarded as additional powers of the personal dictatorship. Under the provisions of a law enacted in 1926<sup>3</sup> royal decrees and royal decree-laws may be issued by the king after deliberation by the Council of Ministers. Ordinary royal decrees regulate 1. the execution of a law; 2. the use of the executive authority; and 3. the organization of the administrative services of the state and, with certain exceptions, of the public bodies having juridical personality. Such decrees are, strictly speaking, executive rather than legislative acts, though in practice they may often amount to legislation. Royal decree-laws, however, which in form as well as practice constitute substantive legislation of equal status with the statutes enacted by Parliament, may be issued on any subject 1. under the specific authorization of any legal provision and 2. "in extraordinary cases in which reasons of urgent and absolute necessity require it." In regard to the decree-laws issued under the second provision the 1926 statute further declares: "The judgment of necessity and urgency is

<sup>3</sup> January 31, 1926, No. 100.

not subject to other control than the political one of Parliament." Since the responsibility of the ministers to Parliament had already been abolished by the law on the Head of the Government<sup>4</sup> the reference to the political control of Parliament probably refers only to the legal provision for the ratification of decree-laws issued under the "urgent and absolute necessity" clause. Such a decree-law must be submitted to Parliament and will eventually lapse 1. if not converted into statute by Parliament within two years or 2. if the bill for its conversion is formally rejected in either house. Needless to say, the disciplined Fascist Parliament offers no check to legislation by decree and, indeed, a large part of its legislative activity consists in passing by acclamation and generally "*senza discussione*" bills converting such decrees into statute. In any event nothing would prevent the issuance of a new decree identical with the old one at the moment when the latter lapsed.

Although the exalted status occupied by the Head of the Government is fortified by provisions which make an attack upon his person a crime subject to the penalty of not less than 15 years imprisonment or death and which subject "anyone who with words or acts offends the Head of the Government" to imprisonment for from six to 30 months or to a fine of from 500 to 3000 lire,<sup>5</sup> the legal provisions relating to this chief office of the Fascist dictatorship are significant only in indicating how completely the Fascists have molded the form of the state to an absolutist pattern. Dictatorship can exist in conformity with law or in spite of law; never, in any realistic sense, because of law. The very existence of dictatorship makes formal law relatively unimportant, since its ultimate basis must necessarily be force, for only by force can the universal frictions of dictatorial government be prevented from generating political groupings capable of curbing the dictator's powers.

<sup>4</sup> Cited above p. 19, note 1.

<sup>5</sup> Article 9, law of December 24, 1925, No. 2263.

The essence of Mussolini's power, therefore, is not to be found in the formal office of Head of the Government but rather in his leadership of a powerful political organization, the Italian Fascist Party.

The Fascist Party is a disciplined, hierarchical organization, quasi-military in structure and characterized by an intense personal loyalty to Mussolini. New members swear "to obey without question the commands of the Leader and to serve, shedding our blood if necessary, the Fascist revolution." The Party internally is devoid of voting, elections, and other forms of parliamentary procedure. Although certain more or less empty democratic forms remain in the Italian Parliament and in other organs of the Régime, within the Party itself all authority comes from above, the officers are appointed by their superiors, and decisions are made by the officers rather than by the rank and file.

In the localities the units of the Fascist Party are known as combat groups (*fasci di combattimento*). These units are headed by officers known as political secretaries assisted by advisory committees. For each province of the kingdom the groups are united in a "federation" headed by a "federal secretary", also assisted by an advisory committee. Above the federal secretaries is the secretary of the Party, assisted by several vice-secretaries and the National Directorate, an advisory group. The national authorities are subordinate to Mussolini as Leader (*Duce*), assisted by the Grand Council of Fascism. The secretary of the Party is appointed by royal decree proposed by the Head of the Government. The vice-secretaries, the members of the National Directorate, and the federal secretaries are appointed by the Head of the Government upon the nomination of the secretary of the party. The provincial advisory committees are named by the secretary of the Party upon nominations presented by each federal secretary. The political secretaries within any province are appointed by the federal secretary of the province and their advisory com-



mittees are also appointed by the federal secretary upon nominations which the political secretaries present. The organization of the Party is regulated by a constitution (*statuto*) promulgated by royal decree and having the status of a law of the kingdom.<sup>6</sup>

A special branch of the Fascist Party is known as the National Voluntary Militia for the Security of the State, in reality a part of the military forces of the government. The Militia is composed of paid sections engaged in permanent police and guard duty and of reserve units subject to call. It is organized in strictly military fashion under the command of the Head of the Government and forms a standing challenge to actual or potential enemies of the dictatorship.

Fundamental questions of party policy are supposed to be decided by the Grand Council of Fascism, an assembly of leaders of the movement. The law<sup>7</sup> regulating its organization and functions defines the Grand Council as follows: "The Grand Council of Fascism is the supreme organ that orders and integrates all the activities of the Régime that arose from the Revolution of October 1922. It has deliberative functions in the cases established by law and also gives an opinion on any other political, economic, or social question of national interest on which it may be questioned by the Head of the Government." The Head of the Government is *ex-officio* president of the Grand Council, calls it into session, and determines the questions to be discussed. The secretary of the Party is secretary. Life membership belongs to the surviving members of the quadrumvirate of the March on Rome, Italo Balbo, Emilio DeBono, and Cesare Maria DeVecchi. The following officials

<sup>6</sup> See *statuto* of the National Fascist Party in *Bollettino Parlamentare*, December, 1932, p. 97, and also the law of December 14, 1929, No. 2099, relating to the Grand Council and other party authorities.

<sup>7</sup> The organization and powers of the Grand Council of Fascism are provided for in the law of December 9, 1928, No. 2693, amended by the law of December 14, 1929, No. 2099, and the decree-law of December 19, 1935, No. 2121.

are members *ex-officio*: the presidents of the Senate and of the Chamber of Deputies; the ministers of Foreign Affairs, the Interior, Justice, Finance, National Education, Agriculture and Forests, Corporations, and Propaganda and the Press;<sup>8</sup> and the president of the Royal Academy of Italy, the secretary and two vice-secretaries of the Fascist Party, the commander of the Fascist militia, the president of the special Tribunal for the Defense of the State,<sup>9</sup> and the presidents of the official syndical confederations of employers and of workers in industry and in agriculture. Though all of these officers hold their positions legally or practically through direct appointment by the Head of the Government, the exercise by each of his membership in the Grand Council is legally dependent upon a royal decree proposed by the Head of the Government which may at any time be rescinded. In addition to the *ex-officio* members there is a group of members appointed for three years by the Head of the Government and subject to revocation at any time. This group is intended to include those who have as members of the government or as secretaries of the Party since 1922 or in other capacities "merited well of the nation and of the cause of the Fascist Revolution." The members of the Grand Council are privileged from arrest and from penal proceedings except with the authorization of the Council. The number of members of the Council is subject to variation depending upon the number of appointive members and on the number of cabinet posts held by Mussolini personally.

Although the sessions of the Grand Council are secret and no complete account of its proceedings or decisions is available to the public, it is clear in view of its appointive composition that the Council has no great independence with respect to the dictator. The exact extent of its practical influence upon the policies of the Régime necessarily remains in doubt. At

<sup>8</sup> At times several of these positions have been held simultaneously by Mussolini.

<sup>9</sup> A court dealing with political offenders.



intervals the newspapers record meetings of the Grand Council with statements, usually vague and uninformative, of its deliberations and decisions. Though the actions of the Council are probably not much more spontaneous than those of the other semi-deliberative bodies of the Régime, certain functions with which the Council is vested make it a fundamental organ of the dictatorship. On the basis of names suggested by syndical and other official associations the Council compiles the list of candidates for the Chamber of Deputies to be submitted to a plebiscite for approval, but this is the only governmental act in which its positive action as distinguished from its advice seems to be required by law. The opinion of the Council, however, must be heard on all questions of a constitutional character and specifically on all bills relating to 1. the succession to the throne and the attributes and prerogatives of the Crown, 2. the composition and functioning of the Grand Council, the Senate, and the Chamber of Deputies, 3. the attributes and prerogatives of the Head of the Government, 4. the power of the ministry to issue rules having the force of law, 5. the syndical and corporative organization, 6. the relations between the State and the Holy See, and 7. international treaties involving changes in the territory of the State or of the colonies or the renunciation of the acquisition of territory. The Grand Council on the proposal of the Head of the Government is also authorized to "form and maintain the list of names to be presented to the Crown in case of vacancy for the appointment of the Head of the Government" but it does not appear from the law that the sovereign would be limited to the appointment of any particular person, such as the one first named on the list if living. If any action has been taken under this important provision no public announcement has been made. The Council also has power "without altering the attributions and prerogatives of the Head of the Government" to draw up and maintain "the list of persons whom in case of vacancies it considers suitable for assuming functions of government."

Besides its potential and actual importance as a force maintaining the existing form of state, the Fascist Party is a *cadre* organization, that is to say, its rolls provide the reservoir from which the Régime draws politically reliable persons to fill the key positions in all governmental and even semi-public organizations of the kingdom. An example of this use of the party organization may be found in the instruction sheet issued by the secretary of the party on December 6, 1934.<sup>10</sup> In this document it is directed that any political questions involved in the choice of officers of the cooperative movement be referred for decision to the secretary of the party. The spirit which appears to be the criterion for membership is expressed, perhaps somewhat intemperately, in the masthead motto of an Italian newspaper: "*Mussolini ha sempre ragione.*—Mussolini is always right."<sup>11</sup> At any rate the feeling is one of personal loyalty to the leader rather than of intellectual loyalty to a definite and objective party program. Another revealing motto published in a holiday edition of a Roman journal read: "Mussolini alone knows the goal of our Revolution."

The responsibilities of members of the Fascist Party may be regarded as administrative, or even quasi-military, rather than deliberative in character. The ordinary party membership, as well as the Militia, has its distinctive insignia and a uniform for dress occasions with appropriate indications of the rank of the wearer. Parades and the formation of the nuclei for mass demonstrations are among the more characteristic activities of the Party groups. No opportunity is lost for the local *fascio* to march in military formation. Such formal meetings as are held by the units of the Party are generally known as *rapporti*, a word used in this connection in a technical military sense in which it means a meeting of a commanding officer with his subordinates at which he hears their reports and gives his instructions. The *fasci* meet in *rapporti*

<sup>10</sup> See *Il Popolo d'Italia*, Milan, December 7, 1934.

<sup>11</sup> *Ottobre*, Rome.

with their respective political secretaries; the political secretaries likewise meet with their respective federal secretaries; and the "National Council" of the Party is a *rapporto* held occasionally by the secretary of the Party or the Duce with the federal secretaries. An order-sheet is frequently issued to all members by the secretary of the Party dealing with such matters as uniforms and participation in particular national festivities. Succession to the offices of the Party takes place through military ceremonies at which the order of the appointing authority is read, the retiring officer relinquishes, and his successor formally assumes command of the unit.

Members of the Party are recruited in an increasing degree from the graduates of official youth organizations. These associations, known collectively as the *Opera Nazionale Balilla*, are divided into the *Balilla* proper and the older *Avanguardisti* for the boys and the *Piccole Italiane* (little Italians) and *Giovane Italiane* (Young Italians) for the girls. The *Opera* takes its name from a youth, Balilla, who many years ago threw a stone at some Austrian soldiers who were trying to drag a cannon through a muddy street, thereby provoking one phase of the Italian struggle for independence. Balilla has been built up into the hero and paragon of Italian youth. The *Balilla* organizations are devoted to training Italian youth in physical education, a habit of unquestioning obedience, and, especially for the boys, the fundamentals of military activity. Membership in these bodies is not as yet universal and compulsory but under the system of continuous military training inaugurated in January, 1935, it appears that they will form with the Fascist Militia the means of keeping male citizens not yet conscripted for the army, navy, or air force in constant participation in military duties. Between the *Balilla* organizations and the Party proper there is an additional age-grouping known as Young Fascists.<sup>12</sup>

12 The Fascist Party in addition to its political functions carries on various benevolent activities such as the provision of mountain or seaside vacations for the "sons of the people" and (like its German counterpart) the provision of aid on a charity basis for the unemployed.

## CHAPTER II

### THE FASCIST PARLIAMENT

No place for deliberative or representative bodies would seem to exist in present-day Italy pervaded as it is by the military spirit of the Fascist Party. When everyone in public life has his place in a hierarchical structure and receives his orders from an immediate superior in the administrative or the party organization there is clearly no one left to make up the membership of a body which might freely deliberate, adopt legislation, formulate national policy, and control the actions of the executive. Yet Fascist Italy may be said to have two parliaments, not vigorous and functionally important bodies to be sure, but evidently intended to perform in some degree the duties of national representative assemblies. First, there is the Italian Parliament actually so-called, a heritage, considerably modified, from the pre-Fascist régime. Parliament is composed of a Senate, still made up of persons appointed to its membership by the crown for life, as it has always been, and of a Chamber of Deputies, formerly a typical elected assembly but now chosen under a system ensuring its complete subserviency to the Fascist dictatorship. Besides the Parliament proper there is another assembly, created by the Fascists themselves, the National Council of Corporations, never very active and since 1933 functioning only through its "Central Corporative Committee." This body is based on a sort of functional representation and has certain powers of economic regulation not exercised to any considerable extent. Mussolini has prophesied that the Chamber of Deputies will eventually be abolished, and that its functions will pass to a body similar to the National Council of Corporations. The Senate, whose significance is largely honorific, appears to be accepted by the Fascists as a minor but not useless cog in the machinery of state. For an understanding of the structure of the dictatorship consideration must be given the legal as well as the actual position of the

Italian Parliament. Discussion of the National Council of Corporations must await the description of the Fascist syndical organizations upon which its system of representation was based.

Legal sovereignty in the Italian State still resides in the crown acting in concert with the Senate and the Chamber of Deputies. All statutes (*leggi*) must still be voted by both houses of Parliament before being promulgated by the government. Even the decree-laws, which the government is able to issue freely on any subject, if not previously authorized by statute lapse after two years unless ratified by a statute passed by Parliament. That this legal supremacy is wholly specious is clear from even a cursory examination of the Italian Parliament's actual operation. It is also strongly indicated by the legal restriction, wholly incongruous with the status of a supreme legislative authority, which prohibits the consideration of any matter by either house without the consent of the Head of the Government to its inclusion in the agenda. The crucial factor in the negation of the apparent legal position of Parliament is the fact that the membership of both houses is selected by the dictatorship. The Senate, composed of members appointed for life by the crown, which in practice now means by the dictator, with the passage of years contains progressively fewer anti-Fascist senators, while the life tenure of the senators could not form the basis for the development of a really independent body, since the number of members is unlimited and the dictator could overcome any adverse vote by adding the necessary number of new senators.

In practical dependence upon the dictatorship the position of the Chamber of Deputies is perhaps even more notable than that of the Senate, if some weight is given to the life-tenure of the latter body. Though their election, technically, takes place through a rather complicated system,<sup>1</sup> the deputies may

<sup>1</sup> The Constitution sets the term of office at five years but allows for dissolution. The "election" of the members of the Chamber of Deputies is regulated by the law of May 17, 1928, No. 1019.



in practice be regarded as appointees of the Fascist Party for a term of five years. The entire kingdom forms a single electoral district and the total number of deputies is set at 400. The first step in the process of choice is the submission of lists of nominees by the various national confederations of Fascist syndical associations, that is, of the governmentally controlled systems of trade unions and employers' associations. The national authorities of each syndical confederation are entitled to submit a definite number of nominations and in the total of 800 syndical nominees, aside from those of the Confederation of Professional Persons and Artists, an equal number are selected by the official representatives of the employers and the official representatives of the workers. An additional 200 nominees are presented by certain national organizations of a propaganda or welfare character, such as the *Associazione Nazionale dei Combattenti* (National Association of Veterans) and the *Opera Nazionale Maternità ed Infanzia*.<sup>2</sup>

On the basis of the 1,000 suggestions presented by the recognized organizations the Grand Council of Fascism draws up an official list of 400 candidates. In preparing this list the Grand Council is in no way restricted to the proportional representation of interests suggested by the apportionment among the various organizations of the right to nominate specific numbers of candidates. In addition the Grand Council is free to go outside the list of 1,000 nominees and to include in its official slate persons distinguished in science, literature, art, politics, and military service who may not have been included in the 1,000 names submitted. The nominations made by the various organizations thus have only the character of suggestions and the official slate of 400 is made up by the Grand Council without restrictions of any sort.<sup>3</sup>

<sup>2</sup> A governmentally sponsored organization for aiding mothers and small children.

<sup>3</sup> Spencer, *Government and Politics of Italy*, New York, 1932, pp. 175-177, shows that in the 1929 election the proportions of nominees of the various syndical organizations on the final list of 400 were: employers 31%, workers

A popular plebiscite at which the electors vote "Yes" or "No" passes upon the acceptance of the official list. No rival candidates are permitted and no campaign against the acceptance of the government list would be tolerated. On the other hand, the regular propaganda organs of the Régime carry on a serious campaign to secure as large a number of affirmative votes as possible. In the two elections in which this procedure was followed, those of 1929 and 1934, the majority for the government was, as might have been expected, very great.<sup>4</sup>

The right to vote in the national plebiscite is open to all male citizens over 21 years of age (or over 18 years of age if married and having children) 1. who are liable to pay dues to a recognized syndical organization for workers or are members of a company liable for such dues to a syndical organization for employers; 2. who pay 100 lire annually in direct taxes; 3. who hold bonds of the public debt yielding an income of 500 lire annually or receive a salary or pension from the national or from a local government; or 4. are members of the clergy of the Catholic Church or of that of any other recognized church. The percentages of registered voters in 1934 who qualified under each of the four heads were 74.5% under the syndical qualification, 17.2% under the taxpaying qualification, 7.9% under the government income qualification, and

22%, professional persons and artists 21%, others 26% (including veterans 10%). The right to make the 1000 suggestions of candidates is distributed among organizations representing these groups as follows: employers 32%, workers 32%, professional persons and artists 16%, others 20% (including veterans 5%). Similar figures in Schneider, *The Fascist Government of Italy*, 1936, p. 55. Schneider states that the list of 1000 suggestions for the 1934 election was never published, so that no similar calculation can be made.

<sup>4</sup> In the 1929 election the "No" votes amounted to 1.7% of all votes cast, or 135,761 as against 8,519,559 "Yes" votes and 8,092 void ballots. *Bollettino Parlamentare*, April, 1929, p. 21. In the 1934 election 15,215, or .15% of those voting, voted "No", 10,043,875 voted "Yes", and 1,336 ballots were held void. The highest negative percentages for provinces were in Venezia Tridentina (.52%); Lombardia, including Milan (.43%); and Veneto (.32%). *Annuario Statistico Italiano*, 1935, pp. 283-284. In 1929, 1,009,637, and in 1934, 467,182 registered voters abstained from voting.



.4% under the clerical qualification.<sup>5</sup> Since the payment of syndical dues is incumbent upon all employers or workers in organized fields, whether members or non-members of the official syndicates, these qualifications provide a very broad suffrage. In view, however, of the lack of alternatives and of the monopolization of publicity by the government the election can have no serious meaning. In practice the system results in the choice of all members of the Chamber of Deputies by the Grand Council of Fascism.

Though the acceptance of the official list of deputies may in practice be assumed as a foregone conclusion the law necessarily contains provisions for the possibility of rejection. In such a case rival lists may be presented for a second election by any associations having at least 5,000 qualified voters in their respective memberships. Each list may include not more than three-fourths of the total number of deputies to be elected. The list receiving the largest number of votes in the second election would be elected *in toto*. The remaining quarter of the seats of the Chamber would be assigned to the persons standing highest on the other lists in proportion to the votes received by their respective lists. No occasion for the application of these provisions has yet arisen.

Little significance can generally be attached to the proceedings of the Italian Parliament elected under the provisions of the 1928 electoral law. At most it may be said that Parliament is used as a sort of sounding board before which some of the public announcements or explanations of the Régime are made. The atmosphere, even on the occasions when anything which might be called deliberation takes place, seems artificial. Ordinarily the legislative duties of the chambers take the form of the ratification in rapid succession, and often without discussion of any sort, of the various governmentally sponsored bills submitted to them and these bills in many cases merely provide for the confirmation of legislation already in force

<sup>5</sup> *Annuario Statistico Italiano*, 1935, p. 282.

under the decree-law power. The sessions of Parliament are, however, usually open to the public and the official record of debates is regularly published. During the sessions of the 28th Legislature, which began in April, 1934, up to April 10, 1936, the Senate held 64 public and one secret meeting and the Chamber met in 68 public and three secret sittings.<sup>6</sup>

While the meetings of the chambers are not always purely perfunctory the parliamentary houses are clearly not decision-making bodies in the Fascist institutional arrangement. Discussions occasionally take place in which speeches suitable for reproduction in the press are made praising the bills proposed by the ministers and emphasizing the "Fascist character" of the measures which the Chamber is "about to adopt." Several meetings of the two houses in the 1934-1935 session as reported in Italian newspapers will provide examples of this type of publicity session.<sup>7</sup>

A meeting of the Chamber held on December 10, 1934, was proclaimed in the headlines of *Il Popolo d'Italia*,<sup>8</sup> as an "Ample and Lofty Discussion in the Chamber upon the Rules for the Completion of Land-Reclamation and the Organization of Consortiums; Vibrant Manifestation of Homage to the Head of the Government." The newspaper article related that for this first meeting of the 1934-1935 session the balconies were crowded, the floor was packed with deputies, and the employees of the Chamber for the first time wore black-shirted uniforms instead of the traditional livery. The session began at 4:00 P. M. Mussolini had entered the hall five minutes before the time for opening the session and was greeted with a "long acclamation" which he returned "in Roman fashion." The

<sup>6</sup> *Bollettino Parlamentare*, April, 1936, pp. 111-112.

<sup>7</sup> The official report, *Atti parlamentari, discussioni*, has in each case been compared with the newspaper version and the figures on bills considered and ballot votes recorded are taken from the former. There were no important discrepancies between the two versions though the two texts for the speeches delivered are by means verbally identical.

<sup>8</sup> Milan, December 11, 1934. *Atti parlamentari, Camera dei Deputati, legis. 29, sess. I, Discussioni*, pp. 381-446.

president delivered a short eulogy of two deceased deputies and then announced the appointment of Galeazzo Ciano (Mussolini's son-in-law) as Undersecretary of State for Press and Propaganda with the right to attend sessions of the Chamber. Upon the "hearty, prolonged applause" to which this announcement gave rise the reporter saw fit to comment as follows:

The Chamber is according a lively manifestation of friendship to the unusually young undersecretary, the Duce's collaborator in one of the most important and delicate sectors of the activities of the Régime. The members of the Government, the public in the galleries, and even more warmly the crowded group of journalists present at the meeting join in the applause.

The president announced the introduction of "numerous bills", named the representatives of the Chamber on certain government boards, and swore in a new deputy. Then, "Various bills were approved without discussion."

A bill regarding the National Secretariat for Mountainous Regions was submitted for discussion. One of the deputies pointed out the excellent opportunity for the Chamber in approving this bill to express once again its applause for what the government had done for the people of the mountainous regions. He hoped that a definite portion of the appropriations for land reclamation would in the future be reserved for the mountainous regions. (Applause.) Another deputy suggested that certain administrative matters relating to the legal services given by the State Advocate's Office to the Secretariat be made more precise in the regulation to be issued under the law. (Applause.) (As a representative of a legal syndicate, he hoped some of the cases would be left for local lawyers. *Atti.*) The Minister of Agriculture and Forests assured the deputy that the regulation would cover this matter. (Voices of approval.) After the "announcement" of an amendment the bill was approved. (The amendment was offered by the government, accepted by the committee, and passed. *Atti.*) Next a

bill establishing the amount of the annual contribution of the Ministry of Aeronautics to the School of Advanced Aerial Engineering of Turin was discussed. A deputy praised the provisions of this bill and eulogized all who had assisted in the development of aviation. (Hearty applause.) He hoped that the subsidy of the similar school at Rome would also be increased. The bill was approved.

Then a bill approving a plan of public works for the city of Trieste was submitted. A deputy alluded to the beautification already accomplished by the government in Trieste. He expressed the gratitude of the Adriatic city to the Duce. (Very warm applause.) The bill was passed. (The *Atti* state after the discussion of each bill that it was set aside for secret ballot, not that it was "passed.") The Chamber next took up a bill approving a similar plan for Taranto. A deputy expressed Taranto's appreciation of the measure. (Very warm applause.) The bill was approved. Next, "numerous bills were approved without discussion." At this point Mussolini left the hall "amid very hearty applause and shouts of Duce! Duce!"

Finally the bill to which the headlines referred involving the completion of land reclamation and the organization of consortiums for that purpose was placed before the Chamber. Four deputies spoke on the bill at this meeting. The first speaker, Angelini, declared the bill to be "an affirmation of faith in small agricultural holdings" and to represent the "effective execution of that vast plan of ruralization which, as conceived by the Duce, gives peace and well-being to the Italian people ("our laboring people" *Atti*). Fascism was proceeding steadily to "the realization of that policy of colonization which shows itself to be the only one adapted to fix the peasant firmly on the soil and to make ever stronger the energies of the Nation." He sketched the Fascist accomplishments in land reclamation. This like the other fundamental laws of the Régime appeared "as a torch destined to reinvigorate faith and passion and as a potent and sure means of attaining the

real improvement of the material and moral conditions of our laboring population, which daily shouts to the Duce its fervid and vibrant devotion." (Very hearty applause.) (This appears to be a rather free rendering of the speaker's words. At one point his statement that private initiative, particularly in South Italy, had not responded sufficiently to the land reclamation program drew the comment, "That's not exact" from the benches. *Atti*.) The second speaker praised the independent reclamation undertaken by some land owners, but held that the intervention of the consortiums must be extended. He praised the "grandiose battle" of land reclamation. (Hearty applause.) The third speaker pointed out, that in spite of authority for expropriations, the bill was no threat to private property. The bill would translate into legislation the profound thought of the Duce when he told the people of Bari that Fascism aimed at a higher social justice. (Very hearty applause.) The fourth speaker also emphasized that expropriation was an exceptional measure in Fascist practice and that the provision in the present law was a threat only to sloth, egotism, and impotence. He observed that it was with a spirit of full faith in the tremendous work of the Duce that the Fascist Chamber was giving its enthusiastic consent to this law, which realized a higher social justice. (Hearty applause.) The president then postponed further discussion of the bill until the next day. The president, the ministers, and all the deputies rose while the president expressed the congratulations of the Chamber to the royal house on the birth of Princess Maria Pia during the recess of Parliament. (Very hearty, general, prolonged applause and repeated shouts of "Long Live the House of Savoy.") (The balloting on the bills already considered and the reception of two written reports took place at this point. *Atti*.) The president announced an interrogation signed by 351 deputies addressed to the Minister of Foreign Affairs and asking for the attitude of the government upon the measures of the British government against the Italian



language in the Island of Malta.<sup>9</sup> He stated that upon the request of the Undersecretary of State for Foreign Affairs the interrogation would be postponed indefinitely. The Chamber adjourned at 8:00 P. M.

Twenty-four bills, according to the official report, were given final consideration at the meeting of the Chamber just described. All of these were in the form of ratifications of decree-laws. Twenty were not discussed at all. Of the four others, three evoked only one speech each. In the secret balloting 354 deputies voted on the first twelve bills submitted and 356 on the others. Although only one bill was passed unanimously the highest number of negative votes was seven. The frequency of negative votes was as follows:

<i>Negative Votes</i>	<i>Number of Bills</i>
None	1
1	0
2	6
3	9
4	5
5	2
6	0
7	1

None of the bills receiving seven, five, or four negative votes had been discussed. The results of the ballot votes are not published in the newspapers.

Another publicized meeting of the Chamber of Deputies was that held on December 19, 1934 and reported in *Il Popolo d'Italia* the following day.<sup>10</sup> The Chamber met in secret session at 3:00 P. M. for the examination of its financial accounts as submitted by its officers. At 4:00 P. M. the public was admitted and there entered the galleries a large number of the federal secretaries of the Party, who were gathered in Rome

<sup>9</sup> This interrogation had been announced in the press (see *Il Messaggero*, Rome), November 1, 1934 at the time of a series of critical articles dealing with the British regime in Malta.

<sup>10</sup> *Atti, loc. cit.*, pp. 623-678.



for the ceremonies of the establishment of the new province of Littoria, the result of the reclamation of the Pontine Marshes. There were also present many officials of the Veterans' Office (*Opera Nazionale Combattenti*), which sponsored much of the development of the new province, as well as many veterans settled in Littoria. These groups all wore Fascist black-shirted uniforms and the colonists themselves wore helmets with chin straps as well as their war medals. Numerous ministers were present at the session. The Chamber first voted to make legal some decrees, whose validity was questioned by the Court of Accounts. Then a committee-report on petitions addressed to the Chamber was approved without discussion. Next a bill to ratify a decree-law establishing juvenile courts was submitted for discussion. Four deputies spoke in praise of this bill stressing its importance as a fundamental law of the Régime. The law would bring back into the current of national life the children saved for the nation. It would be the Christmas gift of the Duce to the well-being of the Italian people. "Fascism has in fact been preeminent in healing the environmental factor, in the religious and heroic sense of life; the germ of crime thus loses the power to exercise its virulence. It is therefore only in Fascist climate that the law of Christ, the law of love for the little child, can be carried out while in other countries experiments of this sort have been incapable of realization." The Minister of Justice concluded the discussion, thanking those who had spoken. He gave certain indications as to how the executive regulations under the law would clear up some doubtful points. The president declared the general discussion closed and asked whether the government accepted the text agreed to. The Minister of Justice agreed and the law was approved.

The president next submitted the bill for the establishment of the new province of Littoria. There arose "very hearty, prolonged and general applause and loud cries of 'Long live the Duce!'" The president ordered the "Salute to the

Duce!" to which the Chamber replied with a "formidable 'A noi!'"<sup>11</sup> The president declared the bill approved by acclamation. After the approval without discussion of four bills the conversion into law of a decree-law authorizing the expenditure of 22,600,000 lire for the systematization of the port of Palermo was considered. One deputy spoke on this bill. He declared that "only the Fascist régime has made possible the development of the port of Palermo" and expressed "his own deepest gratitude and that of the city of Palermo toward the Fascist Government and the Duce." The law was approved.

A bill was then discussed favoring the use of gas-distilling engines (*autotrazione a gasogeno*) in automotive transportation. One deputy spoke on this bill. He stressed the importance of the provisions in view of the peculiar situation of Italy with respect to fuel materials. This system of locomotion was purely of Italian origin. It had been perfected after long experimentation. He expressed pleasure that the Fascist government had granted encouragements of a fiscal nature that would permit a wider use of this type of motive power. The bill was approved.

The next matter considered was the establishment of the *libretto di lavoro*, a sort of general passport for workers upon which would be entered the record of their successive employments. At this meeting three deputies spoke on the bill. The first declared the system to be a "new manifestation and affirmation of the personality of the laborer." Through the *libretto di lavoro*, it would be possible "to obtain an exact picture of the activity and the capacities of every worker, making thus more easy that selection of workers which coincides with the corporative principle of labor understood as a social right and duty." The corporative selection would assume especially a "moral character." He concluded by affirming that "through

<sup>11</sup> This is a regulation Fascist ceremony. The leader of a group shouts, "Saluto al Duce!" and those present shout "A noi!" meaning "Our (leader)."

this provision the Italian worker would feel himself ever more a citizen and soldier redeemed in one Man and in one Faith." The second speaker declared that the new document would provide a record of the "life lived by the worker, a tangible proof of his capacity and technique." It would be a symbol of "the holiness of labor." The *libretto di lavoro* would be as useful to the workers in increasing the efficiency of the employment exchanges as to the employer in providing elements for judgment in exercising the power of choice permitted him. In conclusion he declared that the agricultural masses were proud to contend for primacy among the categories in accepting whatever the Régime created and arranged for the benefit of productive labor. The third speaker declared that the new system would insure a just selection of workers but suggested that, for that purpose, it ought not to contain data that the worker might judge prejudicial to him. The president then postponed further discussion of the bill to the following afternoon and announced the other matters to be discussed at the next meeting. Finally all the bills were approved by secret ballot and the meeting was adjourned at 8:30 P. M.

Thirty-six bills were considered at the meeting just described. Two, including the bill relating to the *libretto di lavoro*, were postponed to later meetings. Of the remaining thirty-four bills all but one were for the ratification of decree-laws. The single bill not for the conversion of a decree-law into statute-law provided for the reestablishment of certain communes, which had previously been united under a single municipal administration. Thirty-one of the bills, including that just referred to, were not discussed. Two of the bills discussed received only one speech each. The other, that relating to the juvenile courts, evoked discussion by four deputies. The number of deputies voting was 338, 340 and 334 on different batches of bills. The greatest negative vote on any bill was six.

The frequencies of negative votes were as follows:

<i>Negative Votes</i>	<i>Number of Bills</i>
0	4
1	10
2	11
3	4
4	2
5	2
6	1

None of the bills receiving six, five, four, or three negative votes had been discussed.

The account of the next meeting of the Chamber was heralded in *Il Popolo d'Italia* (December 21, 1934) under the title: "The Chamber Approves the Military Laws by Acclamation, making an Imposing Demonstration for the Duce—Ample, Conclusive Examination of the Establishment of the *Libretto di Lavoro*."<sup>12</sup> Contrary to its usual custom the Chamber on this day held a morning as well as an afternoon meeting. The morning meeting began at 10:00 A. M. Several ministers were mentioned as present and the hall and balconies were "crowded". The president drew by lot the names of the deputies who would accompany the officers of the Chamber in extending to the King and Queen the Chamber's best wishes for the new year. Several bills were then passed without discussion.

Next a bill relating to tax-reductions designed to facilitate the transfer of mortgaged rural land was discussed. A deputy suggested certain inconveniences of procedure under the bill. The reporter of the Committee on the Budget expressed partial agreement with the criticism. The Minister of Finance assured the deputies that the matter would be suitably regulated in the rules to be issued by the executive for the enforcement of the proposed law. The bill was approved. Then all the bills were passed by secret ballot and the morning meeting adjourned at 11:35 A. M.

The president opened the afternoon meeting at 4:00 P. M.

<sup>12</sup> *Atti, loc. cit.*, pp. 679-750.

Mussolini and several ministers were present. The Undersecretary for National Education replied to an interrogation, which had asked that opportunity be granted, by suitable regulations, for teachers of elementary schools to fill certain other teaching positions. The Undersecretary declared that provisions were already in existence under which it was possible for such teachers to be named to teach courses in Italian and in mathematics in the vocational training courses. The deputy who had submitted the interrogation thanked the Undersecretary for his "courteous reply", declared himself fully satisfied, but recommended that the rules be altered to eliminate certain required examinations.

The discussion upon the establishment of the *libretto di lavoro* was then resumed. Five deputies besides the Undersecretary of Corporations spoke on this bill, making a total of eight, with those who spoke at the meeting the previous day. The first speaker at this meeting expressed his opposition to making any exceptions of particular trades from the system of the *libretto di lavoro*. As to the descriptive notes regarding the worker to be inserted in the document he felt that such entries should not be left to the arbitrary will of the employer. He declared that the *libretto di lavoro* constituted a new important form of guardianship for the worker under the Fascist régime. (Hearty applause.) The second speaker affirmed that the industrialists of Italy, now as ever faithful to the Régime, would work for the widest and most complete execution of this law in order to reach that ever higher social justice which was one of the objectives of the daily labors of the Duce. The third speaker criticised the amendments proposed by the committee, designed to extend the régime of the *libretto di lavoro* to share-tenants in agriculture. He declared that the exclusion of the share-tenants from the requirement of the *libretto di lavoro* was not intended to deprive that deserving category of a benefit but rather was based on the fear of lowering the tone and the dignity of that category and of slowing up the ascent



of share-tenants in the scale of labor. (Very hearty applause.) The fourth speaker, the president of the National Fascist Confederation of Industrial Workers, expressed his gratitude to the government for this new conquest in the guardianship of labor. He would not be willing to have all the illnesses and absences of the worker inscribed in the *libretto di lavoro* as an earlier spokesman had suggested. (Applause.) He considered that the *libretto di lavoro* should be issued through the syndical organizations, except that a foreigner should receive his from the employment exchange. He considered that the syndical association should at all times have the right to "check" (*controllare*, a vague term) the *libretto di lavoro* without waiting for a formal dispute. In the social field the Régime, he said, filled a preventive as well as repressive function and he could not understand a certain sensitiveness which employers manifested with regard to this law. On the other hand, he had no dispute with the employers nor was there any question of giving new functions to the labor unions beyond what they had received through the Charter of Labor. If the labor unions wished to be able to acquaint themselves with the *libretto di lavoro* it was not to control the employing firms but to assist the workers. "The syndical officers," he said, "refuse to be considered guardians of the interests of one class. They wish only to fulfill their task as syndical organizers in the interest of production." He concluded by declaring that the Italian workers would be glad of this new guardianship, conceded to them, and would be ever more grateful to the Duce, who constantly watched over them. (Hearty applause.) The fifth speaker in the name of the agricultural technicians declared that true technicians should be placed at the head of agricultural firms in order that the *libretti di lavoro* should be attentively compiled. He also spoke in favor of "greater political education" for the workers.

Undersecretary Biagi of the Ministry of Corporations concluded the debate with a speech in which he thanked the



parliamentary committee and its reporter as well as the individual speakers for their "notable contribution to the better understanding of the new social institution." It would be opportune, he said, for the committee not to insist on its amendments. The government would take suitable account of the various proposals and also of the observations of the reporter and the various speakers when the executive regulations were issued under the law. The exclusion of tenant-farmers of various sorts from the operation of the law would not result in their deprivation of a benefit, but rather to include them would contradict the attempt being made to raise these producers to more advanced forms of participation in production. The regulation would specify what illnesses should be entered in the *libretto di lavoro*. He announced that the documents would be issued by the various *podestà* (chief officials of the municipalities). The right of the syndical associations to see the *libretti* would not be restricted solely to the occasion of a formal dispute. He recalled that in his historic speech in Milan the Duce had said that the corporative régime had two aspects, the well-being of the people and the military strengthening of the nation, and the fact that the Chamber would today examine both this bill and the proposals for premilitary and postmilitary<sup>13</sup> instruction confirmed this declaration. The president declared open the discussion of the articles of the law<sup>14</sup> and asked whether the committee insisted on its amendments. The reporter declared that they did not insist. The articles were then approved. At this point Mussolini left his seat, greeted by hearty, prolonged applause and repeated shouts of "Duce! Duce!"

A deputy then spoke briefly on a bill modifying the composition of the Council of Administration of the Biennial Art Exposition of Venice, and an amendment proposed in writing

<sup>13</sup> Premilitary means before the conscript period and postmilitary, after it.

<sup>14</sup> "Discussion of the articles" follows "general discussion" and corresponds to the British "report stage" and the "second reading" in the United States; that is, it is the stage when amendments are in order.

upon a similar bill relating to the Triennial Exposition of Milan was approved. Both bills were approved. Three bills providing for the establishment of postmilitary instruction, for the establishment of courses of military culture in the secondary and higher schools, and for regulating premilitary instruction were then submitted for discussion and the president announced that the general discussion on all three bills would be combined. The president of the Confederation of Industry (employers) made the only speech on these bills. He declared that in the Fascist State the functions of citizen and soldier were inseparable. The citizen should, therefore, always be prepared for military service and should always feel himself attached to the armed forces. No longer would the military life, he declared, be merely a brief interlude in the life of each citizen. Preliminary instruction would be made compulsory for all youths. The preparation which the Balilla organization imparted to the youth should not, he said, be wholly limited to military education but should take great care also of the matter of the use of arms. Training in sports should be directed toward military education so that the youth would become accustomed to bear the heaviest tasks and eventually be ready to face the burdens of war. The president announced that Starace, the Secretary of the Fascist Party, wished to present a motion. (Hearty applause.) Starace proposed that the three bills be approved by acclamation. (Very hearty, prolonged applause and repeated and prolonged cries of "Long live the Duce!") Starace announced, "Comrades, the salute to the Duce!" The assembly, standing, replied with the customary "A noi!" Then the president put the proposal to a formal vote and there was renewed general applause. The president declared the general discussion closed and the articles of the bill were then approved. The president announced that the agenda was completed. As he passed from his seat to the door of the hall he received an ovation from the deputies. The meeting adjourned at 6:45 P. M.

At the sittings of the Chamber just described 28 bills were considered in the morning meeting and twelve in the afternoon, 40 in all. Twenty-one provided for the ratification of decree-laws. Thirty-three bills were not discussed. The three bills relating to military training were considered together and a single speech was made on all three. On the *libretto di lavoro* there were five speeches. Three deputies spoke on the bill relating to mortgages. The bill on the Art Exposition of Venice was the subject of a single speech. One other bill may be regarded as having been discussed inasmuch as a minister proposed an amendment orally. In the balloting on the bills considered in the morning 306 deputies voted on the first batch of fourteen and 335 on the second batch of fourteen. In the afternoon 348 deputies took part in the voting. The greatest negative vote on any bill was five. The following table shows the frequency of negative votes:

<i>Negative Votes</i>	<i>Number of Bills</i>
None	9
1	17
2	8
3	4
4	1
5	1

The three bills on military training and the bill on the *libretto di lavoro* were among those passed unanimously. The bills receiving five and four negative votes were not among those discussed.

The proceedings of the Senate do not differ materially in character from those of the Chamber. The meeting held on December 4, 1934 and reported in *Il Popolo d'Italia* the following day may serve as an example.<sup>15</sup> The president opened the meeting at 4:00 P. M. The hall and galleries were reported as very crowded and a large number of ministers and under-secretaries were mentioned as present. The first bill discussed

<sup>15</sup> *Atti parlamentari, Senato, legis. 29, sess. 1, Discussioni*, pp. 393-426.

provided for the conversion into law of a decree-law for the "coordination of the national institutes of historical studies." A senator praised the decree-law and declared it to be important because "it confirms the fact that the boldly innovating Régime holds the past in such respect that to judge the solidity and value of its work it refers to the genius of the race, which constitutes the continuity of Italian life." He recommended that the Minister of National Education do everything possible to increase among students an interest in the study of history. The bill was set aside for the secret ballot. Then without discussion two other bills ratifying decree-laws were set aside for secret ballot.

Next a bill providing for the conversion into law of a decree-law extending the existence of the extraordinary administration of the National Fascist Institute for the Assistance of Dependents of Municipal Bodies was submitted. A senator, on behalf of a committee, withdrew a proposed amendment. Without further discussion this bill was set aside for secret ballot. The next bill was for the conversion into law of a decree-law establishing the National Fascist Federation of Mutual Funds for Occupational Disease. A senator briefly expressed objection to the term *malattia dell'industria* (literally, "disease of industry") as having a possible economic rather than medical meaning. An undersecretary of state in the Ministry of Corporations declared in reply that the term was "clear and explicit" and the bill was set aside for the balloting. The next matter taken up was the conversion into law of the decree-law systematizing the accounts of the *Opera Nazionale Balilla*. A senator observed that the discussion was occurring on the eve of the anniversary of the historic event of December 5, 1746, when the Genovese boy Balilla performed the act which gave the organization its name. He urged the Senate to note the imposing figure of four million members of the organization and the estimated expenses of 34 million lire, in which were included also the expenses of ordinary physical education. The

Balilla organization, he declared, was deserving of every aid. "It indeed confers new significance upon the concept of the Nation in arms, which at one time was thought of in a clearly demagogic sense. It penetrates by means of the little Balilla into the intimacy of the home and represents there the sublime idea of the Fatherland. (Applause.) . . . We may, therefore, await confidently any eventuality whether it be peace, as the Duce firmly wills, or war. We are the representatives of an idea which draws its energies from the greatness of Rome. . . . The Senate will vote with enthusiasm this law which gives encouragement to any daring undertaking for the glory of Fascist Italy."<sup>16</sup> The bill was set aside for the balloting.

The next bill taken up provided for the ratification of a decree-law bringing certain provisions relating to the Army into harmony with the law on promotions of June 7, 1934. Upon an inquiry from the chair the Undersecretary of War agreed to consideration of the text previously agreed to by the committee and the government. This bill was the occasion for a speech by a senator relating to motorization and other cavalry problems. The committee then announced a verbal amendment agreed to by the government. The Undersecretary of War addressed the Senate on the modernization of cavalry equipment. The amendment was passed and the bill was set aside for the secret ballot. Several bills, all ratifying decree-laws, were then set aside for the balloting without discussion. Certain committee reports were next submitted in writing. Finally the secret balloting on all the bills took place and the president adjourned the meeting at 5:50 P. M.

All the bills given final consideration at the meeting of the Senate which has just been described were for the ratification of decree-laws. The total number considered was fifteen. Speeches were made on four of the bills; the other eleven were not discussed. The total number of senators present and voting

<sup>16</sup> The quotation is from the newspaper article. The text, not corresponding literally to the official report, appears to have been rephrased with some freedom but without substantial change.



was 278. In the secret balloting the largest number of negative votes was eight. The frequency of negative votes was as follows:

<i>Negative Votes</i>	<i>Number of Bills</i>
None, 1, 2	0
3	1
4	4
5	2
6	4
7	3
8	1

In contrast with the situation noted in the sessions of the Chamber some of the bills receiving relatively high numbers of negative votes were among those which had been discussed. The bill receiving eight negative votes was that relating to the financial system of the Balilla Organization. The three bills receiving seven negative votes each were those relating to the Occupational Disease Funds, and to army promotions (both discussed), and a bill (not discussed) relating to the privileges of Fascists who had joined the Party in its early years.

As a further example of procedure in the Senate the meeting of December 6, 1934, reported in *Il Popolo d'Italia*, will be described.<sup>17</sup> The Duce and various ministers were present and the hall and the galleries were "crowded". The president announced that the Head of the Government had submitted a bill for the conversion into law of a decree-law approving the new constitution of the National Office for the Tourist Industries. (*Ente nazionale per le industrie turistiche*). Then a group of bills was read and, without discussion, set aside for the balloting and immediately passed by secret ballot. During the voting several written reports were formally submitted. A second group of bills was next taken up. The extent of discussion on these bills was not stated in the press. The official report shows that none was discussed. The bills of the second

<sup>17</sup> *Atti, loc. cit.*, pp. 445-461.



group were also approved by secret ballot. The Senate then adjourned.

Twenty-two bills were given final consideration at the meeting of the Senate just described. None was discussed. Five bills of the first batch voted on and all of the second batch (eleven), a total of 16 bills, were decree-law ratifications. The other six bills related to the following subjects: 1. the establishment of a new commune, 2. the reestablishment of a commune, 3. regulations for admission to training courses for non-commissioned officers, 4. the Biennial Art Exposition of Venice, 5. the Triennial Art Exposition of Milan, and 6. regulations regarding the requisition of animals and vehicles by the military authorities. On the first batch of bills 270 voted; on the second, 261. The greatest number of negative votes on any bill was twelve, the least was five. The frequency of negative votes was as follows:

<i>Negative Votes</i>	<i>Number of Bills</i>
None, 1, 2, 3, or 4	0
5	1
6	6
7	5
8	4
9	1
10	3
11	1
12	1

The bill receiving twelve negative votes related to the program of military training, then greatly stressed by the dictatorship, and provided for the ratification of a decree-law creating the office of Inspector of Premilitary and Postmilitary Training.

The session of the Senate on the following day, December 7, 1934,<sup>18</sup> was given a conspicuous place in the press and the headline in *Il Popolo d'Italia*, the authoritative Fascist Party organ, declared: "The Senate approves the Mussolinian laws on the military organization of the nation—the *libretto di*

18 *Atti, loc. cit.*, pp. 465-494.

*lavoro*—pensions for the families of those fallen, and for those wounded, for the Fascist cause.” The president opened the meeting at 4:00 P. M. The Duce and several ministers were present. A résumé in one sentence of a petition addressed to the Senate was read by the secretary. The president then announced the appointment of certain senators to boards on which the Senate was represented. The first bill taken up was that establishing the *libretto di lavoro*. According to the press account the bill was approved “after ample, serene discussion” especially with regard to certain amendments in which four senators, the reporter for the committee, and an undersecretary in the Ministry of Corporations participated. The official report shows that the government first agreed to the text sponsored by the committee, in this case the central bureau (*ufficio centrale*) of the Senate. No one took the floor under “general discussion.” Under “discussion of the articles” a verbal amendment to article 1 proposed by a senator was passed after it had been accepted by the committee and the government. Some discussion regarding article 2 took place between the same senator and the undersecretary of corporations. The undersecretary pointed out an error of printing in the text of article 3. Articles 4 and 5 were not discussed. Another senator made an inquiry regarding article 6 and both the reporter and the undersecretary spoke in reply. Under article 7 an inquiry was made regarding the right of the employer to write his opinion of the worker in the latter’s *libretto*. The undersecretary spoke in explanation. Articles 8, 9, 10 and 11 were not discussed. Under article 12 a senator proposed an amendment designed to correct a grammatical error. This was accepted. He then proposed to change the word *ammenda* to *multa* in the penal provision. Both words mean “fine” but the latter implies a fine for a more serious offense. The government and the committee accepted this amendment and it was passed. Articles 13, 14 and 15 were not discussed. The bill was then set aside for the balloting.

The Senate next took up the bills establishing courses of military training in the secondary and higher schools, providing rules for premilitary instruction, and establishing postmilitary instruction. The president announced that the three bills would be discussed together and declared the general discussion open. Senator Zupelli told of the difficulties that faced him as Minister of War at the opening of the World War in transforming the army from a peace to a war footing. The only trained classes were those already under arms and those who had participated in the war in Libya. The calling up of old classes for retraining had been very infrequent. There was an absolute deficiency of *cadres* even if the oldest reserve officers were included. There were now plenty of officers available but old classes of conscripts were still seldom called up for retraining. In a new war there would probably be no long period of neutrality to allow for making the necessary preparations. For this reason he approved of the establishment of postmilitary training. The new plan would keep reserve officers in contact with the regiments and garrisons to which in event of war they would be attached. At the conclusion of this speech the president declared the general discussion closed. Without discussion the articles of the three bills were successively approved and along with eight other bills, that were not discussed, they were set aside for secret ballot.

A bill relating to recruiting in the Army was then considered. After one speech suggesting that premilitary training could be made to provide recruits of special fitness for the cavalry the bill was set aside for the balloting together with two bills that had not been discussed.

All the bills were then passed by secret ballot. The president next drew by lot the names of senators who were to accompany the officers of the Senate in extending new year's greetings to the King and Queen. An interrogation addressed to the Head of the Government in his capacity of Minister of the Interior and to the Ministers of Justice and of National

Education and signed by five senators was then presented. It sought to ascertain whether the government intended to issue regulations designed to benefit about thirty citizens resident in territory acquired through the World War, who had secured the degree and title of "assistant dentist" under the laws of their former government, and who in many cases had fought for Italy during the War. The meeting was then adjourned.

During the meeting of the Senate just described 14 bills were given final consideration. Nine were decree-law ratifications. The other five bills were those relating to the *libretto di lavoro* (one bill), the military training program (three bills), and a bill providing pensions for the widows of "early Fascists". The details of the text of the *libretto di lavoro* bill were, as has been indicated, the subject of some discussion. The three bills on military training were together the subject of one speech. The only other speech of the meeting related to the bill ratifying a decree-law regarding military recruitment. The other nine bills (eight being decree-law ratifications) were not discussed. The number of senators present and taking part in the secret balloting was 261. Relatively great opposition to the governmental program was apparent in the voting of this meeting, though, as has been shown, no opposition was expressed in debate. The frequency of negative votes was as follows:

<i>Negative Votes</i>	<i>Number of Bills</i>
None, 1, 2, 3, or 4	0
5	1
6	0
7	2
8	2
9	3
10	0
11	2
12-17	0
18	1
19-24	0
25	3

The bills receiving 25 negative votes related to the following subjects: 1. the *libretto di lavoro*, 2. military training in secondary and higher schools (one of the three military training bills), and 3. promotions in the Navy. The latter bill was not discussed. The lowest negative vote (five) was registered for the bill providing for "postmilitary" training. Though no definite political tendencies can be ascribed to the dissident senators on the basis of the subjects of the bills receiving relatively high negative votes the results of the meeting indicate that a small number of senators are still inclined in the secrecy of the balloting procedure to kick over the traces of strict Fascist discipline even upon bills highly stressed in the government's current publicity.

Even in the election of its own officers the Chamber of Deputies appears to exercise little independence, as the following account shows:

At the first session of the Chamber of Deputies held on April 30, the president *pro tempore*, the Hon. Buttafochi, communicated that many deputies had suggested abandoning the system of electing to the offices of President and Vice-Presidents by secret ballot, repudiating traditional forms henceforth foreign to Fascist conceptions and customs, and to inaugurate the labors of the Chamber with an act of clear revolutionary significance in proceeding by acclamation to the naming of the President of the Chamber and of the other officers.

These same deputies had proposed that Costanzo Ciano be elected president. The assembly received this communication with general and prolonged applause and shouts of "*Viva Ciano!*" and the president *pro tempore*, noting that the enthusiasm and the unanimous consent of the Chamber was most flattering homage to the merits of Costanzo Ciano, unequaled master of boldness in war, honored with the highest symbol of valor, most ardent Black Shirt, wary and firm regulator of public business, proclaimed him elected by acclamation President of the Chamber of Deputies.

Also by acclamation the Chamber proceeded to the naming of the other officers.<sup>19</sup>

<sup>19</sup> *Bollettino Parlamentare*, July, 1934, p. 61.



The officers of the Senate are appointed directly by royal decree.

In the meetings of the Italian Senate and Chamber of Deputies the following features recur significantly: 1. the large proportion of decree-law ratifications among the bills considered, 2. the complete lack of expressed opposition to the passage of bills, 3. the declarations of subservience with which members occasionally express the gratitude of the houses in being allowed to approve the government's proposals, and 4. the frequency with which a group of bills is passed without discussion. It is true that discussion on certain bills reveals differences of opinion as to details of policy (the exact text to be adopted or the means of execution, for example), and the course of such debate appears to influence the formulation of the executive regulations but the passage of any bill sponsored by the government appears to be assumed from the beginning, and in the occasional amendments which the chambers make they apparently do not go counter to the final statement of the government's spokesman. It is, indeed, recorded that in the case of the 216 government bills passed with amendments by the Chamber during the Twenty-eighth Legislature (April, 1929-January, 1934) the amendments were "almost always formulated by the competent committees" and were "all accepted by the government."<sup>20</sup> In neither the Twenty-eighth Legislature nor in the Twenty-ninth up to April 10, 1936, were any government bills rejected by either house but during that period the government withdrew 35 bills, out of a total of 3,213 which it had introduced in the two houses, and during the Twenty-eighth Legislature three government bills for the ratification of decree-laws lapsed through the expiration of the two years' time limit on the decrees before the bills were considered, and one government bill was awaiting consideration at the end of the Legislature.

The private member's bill appears to be of distinctly minor importance as an institution in the Italian Parliament. Indeed

<sup>20</sup> *Bollettino Parlamentare*, December, 1933-January, 1934, p. 68.



the chambers at present seem to consider only bills introduced by the government. No private members' bills are reported for the Twenty-ninth Legislature up to April 10, 1936, although two such bills appeared in the Senate and eleven in the Chamber of Deputies during the Twenty-eighth Legislature. The two bills introduced by senators in the Twenty-eighth Legislature never reached final consideration in the Senate. Five of the bills introduced by deputies were passed by both houses and became laws, five were withdrawn by their sponsors, and one failed to reach final consideration in the Chamber.<sup>21</sup>

The figures for private members' bills in earlier legislatures, so far as recorded in the *Annuario Statistico*,<sup>22</sup> show that in the Twenty-fourth Legislature, the only pre-Fascist parliament for which a record is included, five bills were introduced by senators and four were passed (up to November 24, 1917) and 142 bills were introduced by deputies and 17 passed (up to July 13, 1917). In the Twenty-seventh Legislature (May 24, 1924, to January 21, 1929) seven private members' bills were introduced in the Senate (no figures for those passed) and 100 were introduced in the Chamber, of which 24 were passed.

In spite of the monopoly of the government over the initiation of legislation and of the evident domination of the executive over parliamentary procedure, it would probably be incorrect to regard the function of Parliament in legislation as entirely formal, though with respect to the majority of legislative measures such is probably the case. A part in the drafting of some legislation is played by the committees, and a lesser role in the same procedure falls to the full sessions of the houses, but any such activity is clearly subordinate to the wishes of the higher governmental and party authorities. The membership of both chambers is divided into *uffici*, similar to

<sup>21</sup> *Bollettino Parlamentare*, December, 1933-January, 1934, pp. 67-68, and April, 1936, pp. 111-112.

<sup>22</sup> 1916, p. 202; 1918, p. 103; 1930, pp. 153, 154.

the *bureaux* of the French Parliament, committees constituted by lot without specific jurisdiction over particular types of bills. During the Twenty-ninth Legislature up to April 10, 1936, the *uffici* of the Senate held nine meetings and considered 131 bills, while those of the Chamber met 15 times and considered 85 bills. Special committees chosen by the *uffici* of the Chamber held 99 meetings. The activities of the principal standing committees of the Senate and the Chamber during the same period are indicated by the following table:

<i>House</i>	<i>Committee</i>	<i>Meetings</i>	<i>Bills</i>
Senate	Tariff and Commercial Treaties	—	137
Senate	Decree-law Ratification	31	625
Chamber	Budget	40	610
Chamber	Tariff and Commercial Treaties	11	143
Chamber	Decree-law Ratification	21	340
Chamber	Privileges	1	—

Importance may possibly attach to some of the interrogations addressed by senators and deputies to members of the Ministry. During the period under consideration seven interrogations requiring oral answers were presented in the Senate of the Twenty-ninth Legislature and four were answered, twelve interrogations calling for written answers were presented and four were answered. The corresponding figures for the Chamber were four oral interrogations presented, two answered, two postponed, and 18 written interrogations, all answered. It should be noted, however, that interrogations like all other matters on the agenda of the house require the prior consent of the Head of the Government and thus may be regarded in Italy as occasions for the voluntary divulgence of information by the government.<sup>23</sup>

<sup>23</sup> Statistics on committees and interrogations from *Bollettino Parlamentare*, April, 1936, pp. 111-112.

**PART II**

**THE OFFICIAL SYNDICATES**



### CHAPTER III

## THE LEGAL POSITION OF THE SYNDICATES

ASIDE from the special arrangements ensuring dictatorial control of the state power, the distinctive governmental institutions established by the Italian Fascist Régime fall broadly into two divisions. The Fascist terms for the areas of governmental activity in which these institutions operate are "syndical" (*sindacale*) and "corporative" (*corporativo*). Fascist syndicalism comprises a system of governmentally controlled associations designed to represent employers and workers through separate organizations and to regulate wages, hours, and other conditions of labor by agreement among such associations or occasionally through litigation conducted by such associations before the courts. A treatise on Fascist theory refers to the syndical structure as a means for the "organization and discipline of the productive activities."<sup>1</sup> On the other hand, Fascist Corporativism is defined by the same writer as the "discipline of production (itself) and of productive aims in a national economic synthesis."<sup>2</sup>

The corporative activities are carried on through institutions (primarily, in theory, the so-called "corporations—*corporazioni*") designed to represent capital, labor and the state jointly, and involve such matters as prices, quotas of production, industrial methods, and commercial practices as well as the questions involved in labor relations, ordinarily handled by the syndical organizations. The official theory of the Fascist syndicates and corporations and of the so-called Corporative State, as the Fascists call the governmental system which they have constructed, is set forth in a document known as the Charter of Labor, adopted by the Grand Council of Fascism, April 21, 1927. This document, which has in some respects

1 Bertolotto, *Politica Corporativa*, Milano, 1934, pp. 141-142.

2 *Ibid.*



the force of a law,<sup>3</sup> will be referred to at points where its various declarations have relevance. Since the corporative phase of state activity has been put into practice more recently than the syndical, the latter will first be described.

The labor organizations of pre-Fascist Italy, which were largely under Marxian Socialist or, in a lesser degree, Roman Catholic (*Partito Popolare*) leadership, were forced out of existence in the early years of the Fascist régime by a combination of governmental restrictions and direct action on the part of the Fascist party groups. At the same time a system of national patriotic unions sponsored by the Fascists and led by the former revolutionary syndicalist Rossoni was growing up. The membership of these organizations had gradually increased to 1,776,023 in 1924 and 2,150,511 in 1925,<sup>4</sup> figures to be compared with the 2,200,000 of the Socialist "General Confederation of Labor" and the 1,250,000 of the Catholic "Italian Confederation of Workers" in 1920 at the height of their power.<sup>5</sup>

Agreements known as the Pact of the Chigi Palace, in 1923, and the Pact of the Vidoni Palace, in 1925, resulted in cooperation between the Rossoni unions and the organized industrialists of Italy and, in the latter instance, in the definitive recognition by the industrialists of the Fascist unions as the sole representatives of the workers. Similar understandings were reached by the Rossoni organizations in 1924 with the employers in agriculture and in commerce. In securing this *de facto* monopoly in the syndical field the Fascist unions surrendered the right to maintain the "shop committees", or direct labor representatives within individual firms formerly customary in Italy, a fact of considerable importance in the later develop-

<sup>3</sup> The law of December 13, 1928, No. 3832, authorizes the government to issue provisions having the force of law "for the complete enforcement of the Charter of Labor."

<sup>4</sup> *Confederazione nazionale Fascista dei lavoratori dell' industria, Organizzazione sindacale e ordinamento Fascista*, Rome, 1934, p. 34 and p. 39.

<sup>5</sup> Pitigliani, *The Italian Corporative State*, New York, 1934, p. 8 and p. 10.

ment of Fascist syndicalism. During this formative phase the Fascist unions occasionally showed signs of militancy and, in contrast with the later policy of the Régime, strikes were sometimes employed to gain syndical ends.<sup>6</sup> The situation thus created formed the basis for Fascist legislation establishing a system of official syndicates with a monopoly of the representation of capital and labor in all branches of production.<sup>7</sup>

The existing syndical system in Italy is based upon a fundamental law of April 3, 1926 (No. 563) elaborated by a royal decree of July 1, 1926 (No. 1130) providing for its enforcement.<sup>8</sup> Under the terms of the law syndical organizations (in our terminology "trade unions" and "trade associations") of workers or of employers may be given official recognition by the government. Besides unitary organizations, federations and "confederations" (groupings of federations) of such organizations may be recognized. A syndical organization recognized by the government acquires juridical personality and the exclusive right of representing all workers or employers, as the case may be, within its occupational and territorial jurisdiction in making collective contracts governing labor conditions, "collective labor contracts," with a similarly recognized organization representing the other factor of production.

Strikes and lockouts are prohibited as crimes under severe penalties and all disputes between organized labor and its employers, called "collective labor controversies", must be settled by litigation before the ordinary courts. In these proceedings

<sup>6</sup> The trade unions organized by Rossoni in these years bore the title "corporations—*corporazioni*" and sometimes included employers, especially agricultural, in their membership. They became, however, the labor syndicates of the later terminology and must not be confused with the present Fascist "corporations" whose theoretic basis was subsequently elaborated.

<sup>7</sup> See Schneider, *Making of the Fascist State*, New York, 1928, pp. 165-214 and Rosenstock-Franck, *L'Économie Corporative*, Paris, 1934, pp. 27-48, for the early history of Fascist syndicalism.

<sup>8</sup> These enactments are the basis for statements regarding the general requirements for the official syndical organizations hereafter made unless other sources are cited.

the parties may only be represented by the officially recognized syndical associations. When a collective contract has been made by two governmentally recognized syndical organizations or when a decree regarding labor conditions has been issued by a court in settlement of a case contested by two such organizations the contract or the decree is binding upon all persons within the occupational and territorial jurisdictions of the associations concerned, whether actually members of one of the associations or not. A collective labor contract, however, does not become effective until deposited with, and published by, the Ministry of Corporations in the case of a contract affecting more than one province, or the Prefecture of the Province in the case of local or provincial contracts. Publication may be refused in case the contract fails to conform to the technical requirements of the law but such refusal may be appealed to the courts by the contracting organizations. Either association participating in a collective labor contract has the right to have the contract set aside before its expiration by a court in a collective labor controversy if it can prove a substantial change in the situation existing when the contract was made. In such a case the court by decree establishes new regulations in place of those in the contract.

Specific authorization is granted for the recognition of syndicates among independent professional persons and artists, although in practice the ordinary syndical functions would seem to be of relatively slight importance in this field. Associations of state employees are excluded from the provisions for governmental recognition and its accompanying privileges, and syndical associations in the army, the navy, the air force, or the other armed forces, in the judiciary, among secondary school and university teachers and students and within the ministries of the Interior, of Foreign Affairs, and of the Colonies are forbidden. Unrecognized syndical associations except in the prohibited groups are formally permitted but their activities are largely prevented by the police surveillance

of all associations, the prohibition of strikes, and the monopoly of ordinary syndical functions granted by law to the recognized associations. Organizations of governmental employees, however, must be specially authorized and are supervised directly by the Fascist Party. The governmental power of oversight over the recognized syndical organizations is exercised by a special department, the Ministry of Corporations, organized under a royal decree of July 2, 1926 (No. 1131) elaborated by a royal decree of March 7, 1927, (No. 78).

To qualify for governmental recognition a syndical association must be composed only of employers (*datori di lavoro*, "givers of labor") or of workers (*lavoratori*) and must include as actual members, if an employers' syndicate, the employers of one-tenth of the workers within its occupational and territorial jurisdiction, or if a workers' syndicate, then one-tenth of the workers. The association in addition must assume, besides the care of the economic interests of its members, functions of assistance, instruction, and "moral and national" education of its members. Finally, the officers and employees of the association must give proof of capacity, morality, and "sure national faith." Recognition is formally granted to a syndical association by a royal decree proposed by the Minister of Corporations in agreement with the Minister of the Interior. The decree granting recognition to a syndical association also gives the approval of the government to the by-laws of the association. The government "always has the right to propose and, if necessary, to decree by its own action amendments in the by-laws of the legally recognized associations." Governmental recognition may be withdrawn "for serious causes" by a royal decree proposed by the Ministers of Corporations and of the Interior and in such a case the association ceases to exist, its property being liquidated by a trustee appointed by the government.

Annual dues may be imposed by the legally recognized syndical associations upon all persons or firms represented by them,



whether enrolled as members or not. Such "obligatory" annual dues may not exceed one day's pay in the case of a worker nor the daily payroll in the case of an employer. The syndical dues of the workers are collected by their employers in the form of deductions from wages. The schedules of the "obligatory" dues must be approved by the Minister of Corporations. Lists of the persons subject to such dues are drawn up by the individual associations and the names of the local dues-payers are then posted for one month in each commune. During the month following the posting of a list an interested party may appeal to the Minister of Corporations against his inclusion in the list. The distribution of the sums received in "obligatory" dues between the unitary organizations and the federations and confederations with which the former are affiliated is determined by the Minister of Corporations. Ten percent of these dues, moreover, must be paid into the state treasury for the benefit of a special "corporative fund" covering the expenses of certain activities of the Ministry of Corporations; 17% must be reserved for instruction, assistance, and contributions to the Balilla organization, the *Dopolavoro*,<sup>9</sup> and other governmentally sponsored bodies; and 1% must be set aside by each syndicate for the formation of a guarantee fund to cover its responsibility under obligations which it may sometimes assume in its collective labor contract.<sup>10</sup> The second and third percentages are not fixed by the 1926 syndical law and may be altered by the government. Whenever the guarantee fund amounts to less than 65,000,000 lire, however, the second and third percentages must be 15% and 3% respectively.<sup>11</sup> Besides the "obligatory" dues to which all persons represented by a syndicate are liable, any unitary association may charge its actual members additional dues. The federations and con-

<sup>9</sup> A governmentally sponsored organization for workers' recreation during their free time. "*Dopolavoro*" means "after work".

<sup>10</sup> See below, p. 101, text and note 10.

<sup>11</sup> Law on new distribution of syndical dues, June 18, 1931, No. 856. Royal Decree, September 22, 1932, No. 1637.



federations may also assess additional dues upon their member associations besides the portion of the "obligatory" dues to which they may be entitled. No member, however, may be subjected to additional membership dues amounting to more than his "obligatory" dues.<sup>12</sup>

Italian citizens of both sexes of at least 18 years of age are legally eligible for membership in the recognized syndical associations if they are "of good moral and political character from the national point of view." Commercial companies and other bodies of Italian nationality having juridical personality are eligible for membership if their responsible officers and directors conform to the "moral and political" qualifications prescribed for the membership of natural persons. Foreigners resident for 10 years in Italy may be admitted as members but may hold no office or directing function in the associations. The various administrative services of the nation, of the provinces, of the communes, and of "institutions of public beneficence", are forbidden to join the employers' syndicates and are exempt from the jurisdiction of the courts in collective labor disputes. Likewise certain agencies of the state having distinct juridical personality are exempt from the general syndical system, but the autonomous undertakings of the municipalities are given the status of ordinary employers. No unitary syndicate may include both intellectual and manual workers, and employees having some managing authority must form separate syndicates affiliated with the federations of employers rather than those of workers. Members of recognized syndical associations may not at the same time belong to the *de facto* syndicates tolerated under the syndical law. Cooperative undertakings are placed in distinct syndical associations affiliated with employers or with workers "according to their nature and their mode of operation." A person who has been refused membership in or who has been expelled from a recognized syndicate may appeal to the authorities of the higher syndical organizations and

12 Royal Decree, April 4, 1929, No. 749.

finally to the Minister of Corporations. A similar appeal to the Minister of Corporations is permitted also to a syndical association refused admission into a recognized syndical federation or confederation.

Only members may participate in the activities of the association and in the election "or other forms of appointment" of officers. One officer, known as a president or a secretary, must "direct, represent, and be responsible for" each association recognized.<sup>13</sup> He is to be chosen as the by-laws of the association may provide but the appointment is not effective until the government gives its consent. Such consent may be revoked at any time. The officer in charge of an association is to be "assisted" by a council elected by the members. The government may dissolve such a council and merge its functions with those of the directing officer of the association for a period of not more than a year. In more serious cases the administration of an association may be placed wholly in the hands of a governmental commissioner.

Decisions made by the authorities of the syndical associations are subject to the veto of the Minister of Corporations when they are "contrary to law, to regulations, to the by-laws, or to the essential purposes of the bodies." The action of the syndical authorities with regard to the following matters is subject to the approval of the Minister of Corporations: budgets, acts involving changes in the property of the association, expenses which will apply to the budget for longer than a period of five years, personnel regulations and schedules of authorized positions, regulations for the collection of dues, and payments out of the guarantee fund. Whenever the deliberative or executive organs of a syndical organization fail to perform acts required by law or regulation, or the by-laws of the organization, or necessary for the fulfillment of the essential pur-

<sup>13</sup> As a general term, "directing officer" will be used. The directing officers of all syndical organizations of employers and of confederations of workers are called presidents, those of all other workers' organizations, secretaries.

poses of the organization the Minister of Corporations may order the execution of the necessary acts, including the entry in the budget of the expenses and the issuance of expense warrants.<sup>14</sup> The government's power of oversight in these and other matters with regard to the lower syndical associations may be delegated to the higher syndical organizations.

Certain general statements of policy regulate the activities of the recognized syndical organizations. Thus the Charter of Labor defines the syndical functions as follows:

Syndical or occupational organization is free, but only the syndicate that is legally recognized and subject to the control of the State has the right to represent legally the whole category of employers or workers for whom it is established; to care for their interests before the State and the other occupational associations; to make collective labor contracts obligatory for all belonging to the category, to levy dues upon them and to exercise with respect to them delegated functions of public interest. (Declaration III.)

The Charter contains the following other stipulations relating to the syndicates:

The legally recognized occupational associations assure the juridical equality between employers and workers, maintain the discipline of production and of labor and promote their improvement. (Declaration VI in part.)

The occupational associations of workers have the obligation to exercise a selective action among the workers directed toward elevating ever higher their technical capacity and their moral tone. (Declaration XXIV.)

It is the function of the associations of workers to take care of those represented by them in judicial and administrative proceedings relating to accident insurance and to social insurance. (Declaration XXVIII in part.)

<sup>14</sup>The powers of governmental oversight referred to pertain under the law to the prefects and provincial authorities in the case of local or provincial associations but at present only the confederations and national federations are recognized by the government and the local and provincial units are merely branches of these national organizations.

Education and instruction, especially occupational instruction, of those represented by them, members or non-members, is one of the principal duties of occupational associations. They are to cooperate with the activities of the national institutions relating to leisure time (*dopolavoro*) and with the other educational institutions. (Declaration XXX.)

The following general restriction upon the activities of recognized syndicates is contained in the 1926 syndical legislation:

Outside of labor relations the syndical associations may exercise no intervention in the administrative, technical, and commercial management of the shops of their members without the consent of the latter.

In no case outside of labor relations may the syndical associations dictate obligatory rules for non-members.

The syndical associations may not engage in business.

From the extensive legal provisions that have been summarized it is apparent that the recognized syndical organizations partake of the character of governmental agencies.

Under the syndical law of 1926 the government extended official recognition to the then existing Fascist syndicates of workers. It similarly recognized existing organizations of employers, not Fascist constructions replacing the formerly dominant organizations as was, in general, the case with the labor syndicates recognized, but rather the principal existing trade associations. The official organizations were set up on a federal basis with occupational federations of local syndicates. The federations of workers' syndicates were joined in one confederation headed by Rossoni, one of the original organizers of Fascist syndicates, but there was no central confederation for all the employers' syndicates, since the various trade associations feared to be dominated by the industrial group. The exact arrangement of the local organizations has been modified several times by the withdrawal of governmental recognition from the higher organizations and the recognition of new formations. The most important of these reorganizations

was that of November, 1928, when the general labor confederation was abolished, perhaps because Rossoni as its president was becoming too powerful. Thereafter, until the reorganization of August, 1934, the highest workers' organizations were six separate confederations of Fascist syndicates of industry, agriculture, commerce, credit and insurance, maritime and aerial transportation, and land transportation and inland navigation. The employers' organizations had been grouped in six corresponding confederations since their original governmental recognition under the syndical law of 1926 and their arrangement remained unchanged until the general reorganization of 1934.

An important question of initial organization was the classification of such ambiguous groups as artisans, small tradesmen, and agricultural share tenants. The compromise reached in this matter placed the artisans and tradesmen with the employers and the share tenants with agricultural labor. The organization of professional persons and artists, originally included under Rossoni's confederation of labor, after the dissolution of that body, constituted a separate and thirteenth confederation.

The present organization of the syndical associations is based upon nine royal decrees (Nos. 1379-1387) issued on August 16 and effective September 1, 1934,<sup>15</sup> by which nine syndical confederations were recognized, including one for professional persons and artists and four each for employers and workers. By this reorganization the former confederations of employers and of workers in maritime and aerial transportation and in land transportation and internal navigation were merged with the two confederations for industry.

15 The *Gazzetta Ufficiale, supplemento ordinario*, No. 204 of August 31, 1934, contains the decrees of August 16 and the approved by-laws of the new confederations and their subsidiary organizations. The changes in the syndical structure were formally approved by the Central Corporative Committee on the proposal of the Ministry of Corporations on June 30, 1934. *Gazzetta del Popolo*, Rome, July 1, 1934.



## CHAPTER IV

### THE STRUCTURE OF THE OFFICIAL SYNDICATES

SINCE the reorganization of August, 1934, the official syndical system has comprised nine confederations respectively entitled: The Fascist Confederation of Professional Persons and Artists, The Fascist Confederation of Agriculturalists (employers), The Fascist Confederation of Industrialists (employers), The Fascist Confederation of Merchants (employers in commerce), The Fascist Confederation of Credit and Insurance Firms (employers), The Fascist Confederation of Workers of Agriculture, The Fascist Confederation of Workers of Industry, The Fascist Confederation of Workers of Commerce, and The Fascist Confederation of Workers in Credit and Insurance Firms. Further subdivision is established on both a territorial and an occupational basis. In Italy the term "category—*categoria*" is in general use as the designation of any group of employers, or of workers, or of both employers and workers engaged in a particular productive activity.<sup>1</sup> In the syndical organization a category is composed only of employers or of workers, since "mixed" syndicates are not authorized under the 1926 legislation, but the term occurs in its broader application in relation to the corporative institutions. In a general sense the workers in agriculture or the employers in industry constitute a category but the term is more commonly used for narrower groups, such as those for which the federations or their subsidiary organizations are established.

Each confederation, with the exception of that for professional persons and artists, is divided upon a category basis

<sup>1</sup> "The syndical category is the fundamental element in organizational distribution and expresses itself in the collectivity of those who are joined in an identical occupational activity." Bortolotto, *Politica corporativa*, 1934, p. 176.

into national federations. The organizations immediately subordinate to the Confederation of Professional Persons and Artists are designated "national syndicates." Affiliated with each national federation, or each national syndicate in the Confederation of Professional Persons and Artists, there is generally in each province of the Kingdom a provincial syndicate for the category represented by the federation. Sometimes the local unit is an "inter-provincial syndicate" including several provinces instead of only one. Frequently a federation has more than one provincial syndicate in a particular province and in such cases the syndicates represent smaller categories comprised within the general occupational group of the federation.

Besides the territorial division of the federations into provincial or interprovincial syndicates some federations have also an affiliated group of "national syndicates", constituted directly below the federation on a category basis. These national syndicates subordinate to federations should be distinguished from the national syndicates of the Confederation of Professional Persons and Artists, which are themselves equivalent to federations. If a federation having national syndicates also has several provincial syndicates for different occupational categories in each province then the provincial syndicates of a particular category may be regarded as branches of the national syndicate for that category but in general it will be more accurate to consider the national syndicates simply as administrative agencies having specialized fields of oversight attached to the headquarters of the national federations.

In addition to the provincial or interprovincial syndicates of the various federations there are also local offices of the confederations known as provincial or interprovincial unions. These offices, which are directly under the control of the authorities of the confederation, are designed to coordinate the activities of the provincial or interprovincial syndicates of the

federations affiliated with the confederation and to provide common administrative centers for those syndicates.

Where provincial or interprovincial syndicates are still further subdivided on a territorial basis the subordinate unit is generally the commune, or municipality, but the syndical organizations for smaller areas than the provinces are of relatively minor importance.

When the syndical system was reorganized in August, 1934, governmental recognition, carrying with it the right to make collective labor contracts under the syndical laws, was withdrawn from the provincial unions, which had formerly been the basic local organs of syndical representation, and was conferred upon the national federations, the importance of which was at least in theory enhanced by this change. The provincial syndicates of the federations became the regular local organs of representation but without receiving the legal representation which had formerly belonged to the provincial unions. The confederations retained their legal existence as separately recognized syndical bodies but their contractual function was in the future to be confined to the making of agreements only of the most general type.<sup>2</sup> Ordinary nation-wide labor contracts were to be made by the federations. The local contracts would in fact be made by the provincial syndicates but solely as the agents of the federations to which they belonged. Since the national syndicates of professional persons and artists are equivalent to federations in other confederations they too received legal recognition, as did also the peculiar national syndicates within the federation of theatrical workers described below. Since none of the bodies having territorial jurisdictions of less extent than the whole nation received independent recognition it may be doubted that the federations are, properly speaking, federal organizations. The provincial syndicates are legally mere branches of the national federations and their contractual activity is strictly subordinate to the national auth-

<sup>2</sup> For example, the worksharing agreements described below, pp. 107-117.

orities of those bodies. As to the change in status of the provincial unions, these organizations, which previously were separate unitary syndicates, are now merely administrative appendages of the confederations, serving mainly to provide a common office force for the separate provincial syndicates.

One general pattern, apparently prescribed by the dictatorship, is closely followed in the internal organization of the federations and confederations. Considerable sections of the by-laws of these various organizations, as approved by the decrees of August 16, 1934, are substantially identical even in phraseology. The general pattern of organization for the confederations and federations will, therefore, first be described and certain important deviations of particular organizations will then be indicated.

To each confederation is delegated with respect to its constituent organizations (the federations) the governmental right of oversight upon the financial and personnel management of syndical associations. The by-laws of each of the confederations declare it to be the purpose of the confederation to assure the coordination of the affiliated associations and to maintain discipline over them "for the better attainment of the scopes assigned to them by the laws, by the third declaration of the Charter of Labor, and by their respective by-laws," to supervise the financial management of the affiliated associations and to maintain services of common interest to them. A confederation may make collective labor contracts and "collective economic agreements",<sup>3</sup> (that is, agreements dealing with economic relations other than those between capital and labor and generally concluded between two syndical organizations of employers) when the matters concerned are of general interest to its various constituent associations. The confederations are also authorized to organize "institutions of economic assistance, of occupational instruction, and of moral and national education . . . for the common advantage of the groups rep-

<sup>3</sup> See below, pp. 151 and 187.

resented by the affiliated associations.”<sup>4</sup> A newly formed association seeking inclusion in a confederation and governmental recognition under the syndical law must submit its application to the executive committee of the confederation, and if it is accepted the president of the confederation requests the Minister of Corporations to grant recognition. Syndical associations or “institutions of assistance” affiliated with a confederation are under obligation to conform to the provisions and instructions issued by the confederation within the sphere of its competence and to furnish the confederation with the information requested by it in fulfillment of its duties.

Disciplinary powers over the affiliated federations are vested in the president and in the executive committee of the confederation. The president has authority, by an act stating his reason, to censure, or to suspend from office for a period not exceeding three months, the directing officers of the affiliated federations. The officer suspended may appeal to the Minister of Corporations. The president is further authorized to report to the Ministry of Corporations the directing officer of an affiliated association who, he considers, should be removed from office because “repeatedly subject to disciplinary action,” or because guilty of acts “harmful to the moral and material interests of the organization or actions which are contrary to honor or which show a deficiency of moral sense or of national feeling”, or because the officer renders himself “in any way unsuitable for the office held.” The president also has the duty of notifying the Ministry of Corporations of any instance calling for the exercise of the government’s rights to cause any action to be taken when neglected by one of the affiliated associations although required by “law, regulation or the by-laws or for the fulfillment of the essential purposes of the body.” In cases where the power of the government to

<sup>4</sup> Since this study is political rather than economic and deals with the syndical organizations in their representative and quasi-legislative functions “the institutions of assistance and instruction” will not be specially considered.



dissolve the council of an affiliated association or to appoint a governmental commissioner to administer its affairs or to withdraw recognition from the association is involved, the executive committee of the confederation is responsible for making the proper recommendation to the Minister of Corporations.

Especially in the matter of collective labor contracts the activities of the federations are carried on under the general oversight of the confederation. "The affiliated associations before beginning negotiations for collective labor contracts and for agreements regulating collective economic relations or for settling disputes regarding the interpretation or the enforcement of such contracts and agreements must inform the confederation for its action of general guidance, of coordination, and of assistance." Collective labor contracts made by affiliated associations which must be deposited with the Ministry of Corporations, that is, contracts covering a larger area than a single province, are transmitted for deposit through the president of the confederation, and those which must be deposited with the prefecture of a province, that is, contracts applying to no more than a single province, are transmitted for deposit through the directing officer of the provincial union, an office of the confederation. The officer through whom the transmissal is made is authorized to send his own observations with regard to the contract to the official having jurisdiction over accepting the deposit and approving the contract for publication. In case this privilege is used the associations which made the contract and the confederation to which the other belongs must be informed of the observations made and have the right to submit their own arguments. The affiliated association must also inform the confederation before it brings a labor dispute to the courts or whenever it finds itself a defendant in such a case.

Certain obligatory expenses of the confederations are classified in their by-laws. Specifically included under this heading are expenses for general administration, for assistance, for the

instruction of members, contributions to the *Opera Nazionale Dopolavoro*, to the *Opera Nazionale Maternità ed Infanzia*, and to the *Patronato Nazionale per l'Assistenza Sociale*. All other expenses are classified as "optional". Such optional expenses must be for "services or offices of public utility in the interest of the categories represented by the affiliated associations" and must not exceed in amount 20% of the actual ordinary revenue of the confederation.

Each confederation acts through a council, an executive committee, a president, and the directing officers and committees of its provincial unions. The council of each confederation includes the president of the confederation, the directing officers ("presidents" in employers' organizations, "secretaries" in workers' organizations) of its affiliated syndical organizations (federations), the principal officers of its institutions of assistance, and usually some other members. The council elects the executive committee for a term of three years; nominates the president of the confederation, who is appointed by the government; decides questions of major importance affecting the confederation; appoints the auditors of accounts; and acts upon the reports of the president and of the executive committee. Each member of the council has one vote but the members of the executive committee may not vote upon the adoption of their own reports. The president may permit certain officials of the confederation, including the directing officers of the provincial unions, to participate but not to vote in the meetings of the council. The council holds one regular annual meeting. Special meetings may be required by the executive committee, the president, a third of the members, or the auditors of the accounts. The quorum is one-half of the members but a second meeting within one hour of the time fixed in the notice may proceed with a quorum of one-fifth. The president determines the method of voting. Resolutions are adopted by majority vote and in case of a tie the president's vote prevails unless the vote was by secret ballot in which case the proposal is held to have been rejected.

The executive committee of each confederation is composed of the president of the confederation, certain members elected by the council from its own membership, and in the case of the confederations of workers and that of professional persons and artists one representative of the *Associazione Nazionale dei Mutilati ed Invalidi di Guerra* (National Association of Disabled Veterans) chosen by that body from among its members within the jurisdiction of the confederation. The executive committee meets at the will of the president or of one-third of its members. The quorum consists of one-half of the members besides the president. In the by-laws of each of the confederations the executive committee is entrusted with the following principal functions: 1. drawing up the budget, managing the financial affairs, and regulating the employed personnel of the confederation; 2. passing upon the decisions in similar matters of the authorities of the affiliated federations; 3. appointing the representatives of the confederation in bodies in which such representation is authorized; and 4. formulating general principles to be followed by the officials of the confederation in the negotiation of collective labor contracts and collective economic agreements.

The president of a confederation is appointed by the government upon nomination by the council of the confederation. No definite term of office is provided. He "directs and represents the confederation and is responsible for its progress and for its administration." He presides over the council and the executive committee and has power to appoint a member of the executive committee as his substitute in case of absence or incapacity. He is charged with the discipline of the affiliated associations and with the coordination of their activities and is to fulfill all functions prescribed by the by-laws which are not specifically declared to pertain to the council or to the executive committee. In calling the meetings of the council and of the executive committee he formulates their agenda. He provides for the appointment and the dismissal of personnel; submits to the Ministry of Corporations the certificates of

election of the directing officers of the affiliated federations with his observations; makes collective labor contracts on behalf of the confederation; exercises oversight by means of inspections and inquiries over the progress of the affiliated federations; organizes the services of the confederation, appointing their directors with the approval of the Ministry of Corporations, and fixing their powers and duties; and exercises in urgent matters the powers of the executive committee.

Directing officers appointed by the president of the confederation with the approval of the Ministry of Corporations control the provincial or interprovincial unions of the confederation. The directing officer of a union is "assisted" by a committee composed of the directing officers of the syndicates, within the area of the union, of federations affiliated with the confederation and, in the case of the workers' confederations a representative of the *Associazione dei Mutilati ed Invalidi di Guerra*. The union in the exercise of its functions "must conform to the directions and instructions issued by the president of the confederation." The president of the union is charged with coordinating the activities of the syndicates within the jurisdiction of the union. Branch offices of a provincial union may be established in particular communes within its jurisdiction.

In organization the national federations are similar to the confederations. They have, however, except in the case of the Federation of Theatrical Workers (in the Confederation of Workers of Industry), no subsidiary organizations independently recognized by the government under the syndical legislation. The subsidiary units of the syndical structure, being merely branches of the federations, have their organization provided for in the by-laws of the federations to which they belong. The federations, according to their by-laws, intend to "study and solve the economic and social problems" relating to the groups represented, to make collective labor contracts and collective economic agreements, and to provide for the assistance and instruction of their members.



Members are generally admitted to the federations through their subsidiary organizations, usually by the directing officers of the provincial syndicates. The members are under obligation to furnish information which the syndicates may require in the course of their duties. They must conform their productive activity to corporative principles, must observe the provisions of the competent syndical organizations, must scrupulously conform to the discipline of the organization, and must inform the syndicate of any controversies which arise between themselves and their employers or workers, as the case may be. When a sufficient number of members of a provincial syndicate live in any commune, a communal syndicate may generally be established, headed by a *fiduciario* (representative or trustee) elected by the members for a term of three years with the approval of the directing officer of the provincial syndicate. In some cases these *fiduciari* represent the members of the communal syndicates in the assembly of the provincial syndicate and they then have as many votes each as the number of members they represent. Individual members who are not represented by *fiduciari* participate directly in the assembly of a provincial syndicate.

The assembly of a provincial syndicate is ordinarily required to meet only once a year. It may be called into session only by the directing officer of the provincial syndicate after authorization by the directing officer of the federation, who must consult in this matter the directing officer of the local provincial union of the confederation. Every three years the assembly elects the directing officer of the provincial syndicate and a directory to "assist" him. The election of the directing officer of the provincial syndicate requires the confirmation of the directing officer of the federation after the latter has consulted the directing officer of the provincial union of the confederation.

In federations having national syndicates the directing officers and the directorates of these bodies are generally elected by the assembly of the federation but in some cases by special



assemblies of the directing officers of the provincial syndicates of the categories represented by the national syndicates. The election of the directing officer of a national syndicate requires the confirmation of the Ministry of Corporations. The national syndicates do not take part in the ordinary functions of syndical representation or in the negotiation of collective labor contracts.

A federation normally acts through four organs: an assembly, a council, an executive committee, and a directing officer. The assembly is generally composed, among other members, of the directing officers and sometimes the members of the directorates of the provincial and national syndicates. The assembly of a federation ordinarily meets only once in three years but may be convoked oftener by the council or the executive committee. Proxy voting in the assembly is generally permitted but no member may hold more than two proxies. The assembly has authority to express opinions upon questions of major importance affecting the federation; to act upon the reports of the directing officer and the council; and to elect for a term of three years the directing officer of the federation and the members of the council. The election of the directing officer requires the confirmation of the Ministry of Corporations at the request of the president of the confederation to which the federation belongs.

The council of a federation ordinarily meets only once a year. The directing officer has authority to call it into special session and must do so at the request of the auditors or of one-third of the members of the council. The council appoints auditors of accounts and elects from its own membership the executive committee, which serves for a period of three years. The executive committee draws up the budget of the federation, levies (but only by a two-thirds vote) the supplementary dues upon actual members of the federation, formulates guiding criteria for the collective labor contracts and the collective economic agreements to be made by the federation, and acts upon financial and personnel matters subject to supervision by

the confederation. The directing officer "directs and represents the Federation, . . . executes the decisions of the assembly, the council, and the executive committee, [and] supervises and enforces discipline. . . ."

Generally those who belong to the categories represented by the federation and those "who in any way are the expression of them" may be elected to the offices of the federation. In the Confederation of Industrialists (employers) and its subsidiary federations, however, only proprietors, officers, or members of the boards of directors of affiliated firms may be elected to syndical offices. The "obligatory" and "optional" expenses of the federations are regulated in the same way as those of the confederations.

Collective labor contracts and collective economic agreements affecting more than one of the provincial syndicates of a federation must be signed by the directing officer of the federation or by his personal delegate. Those affecting a single provincial syndicate are signed by the directing officer of the provincial syndicate but only upon authorization by the directing officer of the federation.

Disciplinary authority is vested in various organs of the federations and of their subsidiary organizations. Thus the power of censure belongs to the directing officers of the provincial syndicates. Suspension from membership for a period of not more than three months may be imposed by the directorate of the provincial syndicate. An appeal in cases of suspension is permitted to the directing officer of the federation. Expulsion from membership may be ordered by the directing officer of the federation after consulting the executive committee if a proposal for such action is first made by the directorate of the provincial syndicate to which the accused member belongs. The grounds for expulsion include the repetition of an offense giving rise to suspension, conviction of a serious crime, actions harmful to the moral and material interests of the organization, offenses against honor or those showing a lack of national

feeling or of moral sense, and manifestations on any occasion incompatible with the general policies of the government. The power of suspending or removing directing officers of provincial syndicates belongs to the executive committee of the federation. Officers may be removed for the same grounds as those for the expulsion of members and also if the officer "makes himself in any way unsuitable for the office held." Officers suspended or removed may appeal to the Ministry of Corporations.

Distinctive among existing federations is that of the theatrical workers, a part of the Confederation of Industrial Workers. This federation contains a group of subsidiary "national syndicates" which separately have governmental recognition under the syndical laws. Individual members are not admitted to the federation as such and the relation of the federation with its national syndicates is analogous to the usual relations between a confederation and one of its subsidiary federations. The federation has no assembly. Its council is composed of the secretary of the federation, the secretaries of the affiliated national syndicates, delegates representing those syndicates in proportion to the number of their members, and the directing officers of institutions of assistance. The council performs the functions usually appertaining to the assembly of a federation. The affiliated national syndicates require authorization from the federation before proceeding to the negotiation of collective labor contracts or initiating collective labor disputes before the courts. Nine governmentally recognized national syndicates are affiliated with the Federation. Each of these national syndicates is organized essentially in the form usual for a federation.

Two federations within the Confederation of Industrialists (employers), those for electrical communication undertakings and for aerial transportation undertakings, are exceptionally simple in internal structure. Members of these federations are admitted directly by the presidents of the federations. There are no subsidiary syndicates, provincial, interprovincial, com-

munal or national, but local interests may be cared for by offices called "delegations" established by the federation and controlled by "delegates" appointed by the president of the federation. These federations have neither an assembly nor an executive committee. The council is composed of two members appointed by each affiliated undertaking. One representative for each of the affiliated undertakings must be present to constitute a quorum. The council of the Federation of Electrical Communication Undertakings is divided into two sections, one for the telephone and one for cables and radio, which may meet separately for the consideration of questions that specifically interest one of the groups. In the Federation of Electrical Communication Undertakings each member of the council has one vote but in the Federation of Aerial Transportation Undertakings voting power is weighted. The council of each of these federations elects the president of the federation and two vice-presidents and discharges the other functions normally incumbent upon the assembly, council, or executive committee of a federation.

In the Confederation of Industrial Workers there are also two federations with distinctly abbreviated internal organization, those representing seamen and workers in aviation. These federations have no permanent local syndicates but offices of the federation may be established to represent locally the interests of the group. The secretary of the federation is charged with convoking local groups of members every three years for the election of delegates to the assembly of the federation. The first assembly was empowered to provide for the apportionment of delegates among the various regions for the election of future assemblies.

The Federation of Artisans in the Confederation of Industrialists (employers) has a terminology of its own but in other respects its organization is not exceptional. This federation represents those who carry on "on their own account a small industry, centering all functions of management in themselves

and themselves working therein." "Provincial communities" replace the usual provincial syndicates and several such communities for different categories are to be established in each province. Instead of national syndicates "national arts" are provided for and the authorities of these are elected by special assemblies representing the provincial communities of the respective categories. The title of the directing officers of the provincial communities and the national arts is "*capo*" (head) rather than president or secretary.

In the case of both the confederations and the federations amendments to the by-laws may be proposed by the directing officer, by the executive committee, or by one-third of the members of the council and must be passed by the council of the organization by a vote equal to at least one-half the number of its qualified members. Any amendment requires the approval of the government before becoming effective. The first election of officers under the new by-laws and, thereafter, elections for the purpose of filling vacancies were authorized to be held by referendum rather than by the convocation of the competent assemblies, but the consent of the Minister of Corporations is required in each case for the use of this procedure and for the special rules governing the referendum election. The syndical elections in September, 1934, when these by-laws came into force, were carried out under the referendum procedure.

Within the various confederations the number of subsidiary federations varies considerably and is not uniform in a given pair of confederations of employers and workers. In the Confederation of Professional Persons and Artists the number of "national syndicates", which in this confederation are equivalent to federations, is eighteen, constituted for different professional groups.

In the agricultural confederations the internal organization follows more nearly economic status than occupational specialization. The employers are organized in four national federations for the following groups: 1. persons or firms who carry



on an agricultural enterprise with the aid of tenant farmers or paid labor; 2. persons owning agricultural lands which they have leased to others;<sup>5</sup> 3. those who personally cultivate their own or hired lands, or personally tend their own cattle, with the assistance only of their family or servants "even though occasionally they may have recourse to outside labor"; and 4. managers of agricultural enterprises. Agricultural workers are divided also into four federations for the following groups: 1. technical and administrative employees of agricultural or forestry undertakings; 2. tenant farmers and share-tenants (*coloni e mezzadri*); 3. wage workers and laborers; and 4. specialized agricultural, animal husbandry, and forestry trades.

The division within the industrial confederations is exceptionally minute and the number of separate federations recognized in the syndical reorganization of August, 1934, was 45 within the employers' confederation and 20 within that of the workers. The division is on the basis of the different fields of industrial activity.

The Confederation of Workers in Commerce is much simpler in internal organization than the corresponding Confederation of Merchants (employers). Commercial workers are grouped in only five federations for broad classifications of employment. The employing commercial firms are divided into 37 federations representing specialized business groupings.

While thirteen federations organized for specialized groups of financial institutions make up the Confederation of Credit and Insurance Firms the workers in credit and insurance are grouped in only four federations representing respectively 1. "functionaries" (*funzionari*) of credit, insurance, and collection firms, 2. workers in credit firms, 3. workers in insurance firms, and 4. workers employed by collectors and receivers of direct taxes and by farmers of consumption taxes.

<sup>5</sup> This group does not engage in the negotiation of collective labor contracts with the representatives of agricultural labor but is apparently included in the syndical structure for purposes of representation.

## CHAPTER V

### SYNDICAL REPRESENTATION

THE official syndical system is the only element in the Fascist State in which the doctrine of hierarchy, carried out to its full extent, has not destroyed even the forms of popular representation and of control from below. The formal organization of the syndicates, as has already been indicated, contains many provisions for the election of officers and committees by the members or by persons elected as the representatives of the members. Whether the syndicates are, to all intents and purposes, mere branches of the governmental hierarchy dependent in all essential matters upon the decisions of the dictatorship or are in fact controlled and activated by those citizens whom they officially represent is a question largely answerable through an appraisal of the practical significance of certain provisions of the syndical by-laws.<sup>1</sup>

It should first be noted that a syndical confederation or federation is not really a federal body in the sense of having subordinate unitary organizations largely independent of the central body and jointly acting as the source of, or a check upon, its authority. The disciplinary powers of the authorities of a confederation or of a federation over its subsidiary organizations and over their members extend, as has been pointed out, to the suspension or the removal of the subordinate officers from office (in some cases only through the Ministry of Corporations) and to the expulsion of persons from membership. The grounds for which an officer may be removed from office include, it will be remembered, the hardly definable circum-

<sup>1</sup> The relationship between the numbers represented by the official syndicates and the numbers of their actual members was on December 31, 1934, as follows: Workers represented, 7,150,787; worker members, 4,698,019; employers, managers, artisans, and owners of buildings represented by the employers' syndicates, 7,799,601; members of the employers' syndicates, 1,530,716. *Annuario Statistico Italiano*, 1935, p. 172.

stance of the officer's "rendering himself unsuitable for the position held." In the face of disciplinary provisions such as these the development of any considerable independence among the subsidiary officers, who stand between the members and the higher syndical authorities, would seem unlikely.

Besides the serious effect which the disciplinary powers of their superiors might be expected to have upon lower syndical officers in the representation of their electors, the peculiar system of ratification of elections necessarily casts serious doubt upon the representative character of the series of indirect elections leading from the membership to the higher syndical offices. It will be remembered that the *fiduciario* of a communal syndicate, where such local units exist, must, after election by the members of the syndicate, be confirmed in office by the directing officer of the provincial syndicate. At some later time, *fiduciari* so chosen will, in large part, compose the assembly of the provincial syndicate to pass upon the reëlection of the directing officer of that body. The latter officer must have his election confirmed by the president of the federation in whose reëlection, at a later stage, he and other secretaries of provincial syndicates similarly chosen will have a vote. The election of the president of the federation likewise requires the approval of the Minister of Corporations acting upon the recommendation of the president of the confederation, and in the council of the confederation, which has the power to "nominate" for appointment by the government a president of the confederation, the presidents of the affiliated federations will participate. In addition, the electoral or nominating assemblies in many cases contain, besides the more or less representative officials "elected" by the subsidiary groups, additional members appointed or coöpted, such as the heads of "institutions of assistance" and of some of the "national syndicates". Thus the electoral arrangements are largely vitiated by the fact that each important syndical officer has a considerable voice in the selection of his own "electorate" and that the Ministry

of Corporations has a veto power over each step in the representative process.

In this matter, however, one need not argue from the intricacies of the by-law provisions. It is a fact, in the labor syndicates at least, which in official and syndical circles no one takes the trouble to deny, that the syndical elections have no great importance as agencies of selection of the syndical officers. As to the actual procedure of local syndical elections, an official of one of the workers' confederations gave without hesitation the following matter of fact account:

We send an official to hold the local meeting. He suggests a person whom we think suitable to be their secretary. That person is usually elected without question. There may sometimes be some boos and groans. In that case we talk it over with them.

The accounts, moreover, of local syndical meetings in the organ of the Fascist labor syndicates<sup>2</sup> from July, 1934, to August, 1936, mentioned in almost no case any contest in syndical elections and frequently expressly recorded such elections as unanimous.

With regard to the existence of any control which meetings of syndical assemblies, councils and committees may have over the officials, once duly "elected" and confirmed in office, several negative indications may be mentioned. First, in the accounts of syndical meetings to which reference has been made, those which indicated anything in the nature of deliberations and decisions by vote were exceedingly rare. Generally, *informal* groups not constituting any assembly having a definite official status under the by-laws were convened to hear an inspirational speech by some official. Secondly, the infrequency under the provisions of the by-laws of the meetings of the more directly representative bodies has already been noted. The assemblies of the federations normally meet but once in three years. Further, the extreme checks imposed upon the

<sup>2</sup> *Il Lavoro Fascista*, daily, Rome.

calling of an assembly of a provincial syndicate (action by the directing officer of the provincial syndicate after authorization by the president of the federation after consulting the administrative head of the provincial union) are worthy of consideration. Thirdly, the negotiation of collective labor contracts is a function of the officers themselves, subject only to the regulations which may be adopted by the small executive committees of the confederations and federations. It is not contended that members as individuals or in such informal assemblies as have been mentioned are not sounded out in regard to policies under consideration by the officials (indeed, there is evidence that such action frequently occurs) but the existence of such assemblies, which have no power to act, is immaterial to the question of the reality of any effective control by the membership over the policies followed by their "elected" representatives. It should again be recalled that in the long intervals between the holding of the more representative assemblies having some authority to act, the disciplinary power (regarding censure, suspension and expulsion) of the constituted syndical authorities may be expected to have some depressing effect upon any possible ardor of dissident groups among the membership.

Further, in appraising the electoral and representative processes in the syndicates one should keep in mind the ultimate powers of control over the syndical authorities vested in the Ministry of Corporations, in addition to the right initially to approve or disapprove elections. The president of a confederation is to be "appointed" by the government (after "nomination" by the council of the confederation) and he has no stated term of office. No power even to suggest his removal is formally vested in any organ of the confederation. This appointive president has, in turn, an important power of appointment over the heads of the provincial unions as well as over the important bureaucracy, presently to be described, of the confederation itself. Moreover, "elective" syndical officials



are removable at any time through the withdrawal of the government's consent to their elections. The assemblies, councils, and committees, some of whose members do not require the initial approval by the government of their elections, are subject to dissolution at any time by the government, which may then temporarily merge their powers with the "elected" or "appointed" officer whom it has approved.

Lastly the government always has the power to name a commissioner to exercise the powers both of the "elected" officer and of the "elected" assemblies. This ultimate power of governmental control is not an idle threat nor merely an emergency measure but has frequently been exercised since the adoption of the syndical legislation of 1926. Indeed, during the period from January to September, 1934, when preparations were being made for the general syndical reorganization, all of the thirteen then existing confederations were in the hands of governmental commissioners and it is interesting that with the reorganization of the syndicates in September, 1934, six of the former governmental commissioners were immediately "nominated" and "appointed" presidents of their confederations.<sup>3</sup> The only commissioners not continued in office as presidents at that time (except those for the discontinued confederations) were in the organizations of employers in industry and in credit and insurance.

It should not be supposed that the officers and committees constituted under the by-laws of the syndical associations alone form the administrative staff by which the day-to-day affairs are handled. Besides these officers, a considerable body of appointed officials are attached to the headquarters of the confederations, to the provincial unions, and to a lesser extent, to the headquarters of the federations. These syndical employees, because of the governmental supervision of the syndicates, may without great inaccuracy be considered a part of

<sup>3</sup>List of newly appointed presidents of confederations in *Il Lavoro Fascista*, Rome, October 31, 1934.

the governmental service. Their appointments, however, are not circumscribed by any prescribed system of examinations or other means of qualification but are made upon the basis of personal influence and acquaintance. Schools for the training of syndical officials are maintained by the Ministry of Corporations but attendance at the schools is not necessary before appointment. Most of the appointments to the employed staffs of the syndical system are made by the presidents of the confederations and those of the federations but, in the case of some of the more important positions, the approval of the Ministry of Corporations is required for the appointment.

The employed personnel of both the workers' and the employers' organizations comes from the same general group in the population, being, for the most part, youth of middle class origin, usually with university training. It would be difficult to find any clear distinction, except probably in average age, between this employed group and the more important officers who technically are "elected" by the members of the syndicates, although the author's observation has been that the elected positions in the employers' organizations are likely to be filled by persons who are connected with the employing firms of the category.<sup>4</sup>

Within the workers' organizations it appears that the officers of local groups up to and including the secretaries of provincial syndicates generally come from the category represented but that, remaining in their regular employment, they have hardly more time to devote to syndical matters than is necessary to peruse and accept documents prepared for them by the employees of the provincial unions. The presidents of the workers' federations appear not to come ordinarily from the category represented. This was in 1934 the case in all the

<sup>4</sup>Note that the by-laws of the Confederation of Industrialists and its subsidiary federations require that elected officers be proprietors, officers, or members of the boards of directors of affiliated firms. The confederations generally have no such requirement and the federations often make eligible any person "who in any way is the expression" of the category.

federations of commercial workers, though among the industrial workers many presidents of federations were said to have come from the categories which they represented.

The biographies of 68 Fascist political and syndical leaders in a eulogistic collection<sup>5</sup> indicated the existence of a group of persons who had continuously held different syndical offices, often in widely scattered fields, since the Fascists came into power with the March on Rome. In one notable case an individual in 1934 president of the Confederation of Workers of Agriculture had formerly served on the directing committee of the Confederation of Agriculturalists (employers). It appears that the "elected" directing officers of most of the federations as well as the large body of appointed employees throughout the syndical system, are paid officials expected to devote their time to their syndical duties. The payment of salaries, as distinguished from expense allowances, to the elected officers is forbidden in the confederation and federations of industrial employers and the practice has also been disallowed by the Ministry of Corporations in the case of the Confederation of Professional Persons and Artists.<sup>6</sup> The pay of the syndical employees is said to be small but is sufficient to attract university graduates when desirable white-collar jobs are scarce.

It would be difficult not to conclude that the representative character of the Fascist workers' syndicates is, to say the least, diluted by the firm entrenchment of a group of syndical politicians, sponsored by the dictatorship, and by the strict control which the government and the Fascist Party exercises over all syndical activities. Besides the indications already discussed which point to a greater spontaneity in the employers' syndicates, it is relevant to note that the Fascist employers'

<sup>5</sup> Edoardo Savino, *La Nazione Operante*, Milan, 1934. Sixty-eight subjects were selected from those in this collection as being: members of the cabinet; members of the Grand Council of Fascism; persons participating in the debate in the National Council of Corporations in November, 1933, upon the Corporations Law; and vice-presidents of corporations.

<sup>6</sup> *Il Lavoro Fascista*, Rome, November 7, 1934.

syndical organizations, unlike those of the workers, are the direct outgrowth of associations important and independent before the growth of Fascism, that groups of employers, being small and better linked by common acquaintance, are less dependent upon the formal processes of elections and assemblies for a united formulation and control of policy, and that, in general the employing group, unlike the workers, finds many of its members throughout the roster of the leading political figures of the Régime.<sup>7</sup> The Fascist syndicates must, therefore, be regarded primarily as organs of the government dominated like all other phases of Italian public life by the dictatorship of the Fascist Party, a control less significant with respect to the employing than to the employed group, in view of the more intimate connection of the former with the ruling personnel.<sup>8</sup>

<sup>7</sup> Biographies of Fascist political and syndical leaders. See above, p. 94, text and note 5.

<sup>8</sup> See Rosenstock-Franck, *L'Économie Corporative*, 1934, p. 392: "*The direction of Italian economics belongs to an oligarchy of the great Confederations of employers; but, in a dictatorial régime, the incidences of politics and administration upon private activities are so profound that Fascism has been able to give the impression of assuring that control of Italian economics which, in fact, escapes it.*" (The italics are his.)

## CHAPTER VI

### SYNDICAL FUNCTIONS: COLLECTIVE LABOR CONTRACTS

THE following functions are performed by the Fascist syndicates: the making of collective labor contracts; the representation of employers and workers before the courts in collective labor controversies; the attempt at conciliation in "individual labor controversies" (which involve the enforcement of labor conditions, usually established by collective contract or by judicial award); the assistance of their members in the enforcement of the collective contracts and judicial awards; and certain minor activities involving assistance to, and the education of, their members. Together these activities constitute the Fascist system of governmentally supervised syndical representation and of compulsory arbitration of labor disputes.

Before discussing these various activities a brief consideration is desirable of the provisions of the criminal law which create the situation in which the Fascist system of syndical representation and compulsory arbitration operates. To make compulsory arbitration of labor disputes effective, recourse to such measures as strikes and lockouts, which Fascists call "class self-defense", must necessarily be eliminated. The Italian Penal Code, therefore, contains a group of provisions regarding "crimes against the order of labor."<sup>1</sup> These crimes are the following: 1. the lockout, 2. the strike, 3. boycott, 4. arbitrary invasion and occupation of premises, and 5. non-fulfillment of collective labor contracts and of sentences of the courts in collective labor controversies. The offense last named will be considered later since it concerns the enforcement of the regulatory provisions made through the contractual and litigious activities of the official syndicates rather than the basic situation necessary for the operation of the system.

<sup>1</sup> Articles 502-512.



The crime of the lockout occurs when an employer suspends work in whole or in part in his establishment 1. for the sole purpose of effecting or of preventing the modification of existing labor agreements or usages, or of influencing their enforcement, 2. for a political purpose,<sup>2</sup> 3. for the purpose of coercing the public authorities, or 4. in order to show solidarity with other employers or to manifest a protest. The suspension of work by three or more independent artisans or merchants having no employed labor for the second, third, or fourth purpose listed is declared to constitute a lockout but the penalties in such cases are one-half of those for *bona fide* lockouts committed by employers. Fines are prescribed for lockouts designed solely to affect labor relations, to show solidarity, or to manifest a protest, but imprisonment is also to be imposed in cases having a political motive (not more than a year) and in cases of attempted coercion of the public authorities (not more than two years).

The crime of striking consists of the collective abandonment of work by three or more workers or their working in such a way as to disturb "the continuity or regularity" of the work for any of the purposes mentioned in the case of lockouts. The penalties are the same as those for lockouts except that the maximum fines are smaller and workers are subject to only six months of imprisonment in political strikes not involving coercion of the public authorities.

The crime of boycott involves the inducing of one or more persons not to sign labor agreements, or not to provide materials or instruments necessary for work, or not to acquire the industrial or agricultural products of others, by means of propaganda or through taking advantage of the force and authority of parties, leagues, or associations, for one of the purposes listed in respect to strikes and lockouts. The penalty prescribed is imprisonment for not more than three years

<sup>2</sup> Usually referred to as "non-contractual purpose."

unless incidents of violence or of threats occur, in which case the term of imprisonment is from two to six years.

The crime of "arbitrary invasion and occupation of premises" consists of invading or occupying farms belonging to others or in disposing of the machines, provisions, or instruments of others used in industrial or agricultural production for the sole purpose of "disturbing the normal progress of work." A prison term of not more than four years and a fine of from 1,000 to 50,000 lire is provided for this offense, with gradations of penalty according to the damage caused by the action.

In instances giving rise to demonstrations, riots, or popular uprisings, and in the case of the leaders, promoters, or organizers of the actions, the ordinary penalties for crimes against the order of labor are increased. Strikes among government employees and strikes and lockouts in industries "of public service or of public necessity," an extensive group,<sup>3</sup> are also more heavily punished.<sup>4</sup>

The effectiveness of these measures for the repression of violence in labor relations and the strengthening of the official syndical system may be judged from the official figures relating to convictions obtained for the violation of these provisions of the penal code. Two reports of the Ministry of Justice are available covering judgments of conviction during the period 1926-1933 (through October 28, 1933) and during the year 1934 respectively.<sup>5</sup> During neither period are any convictions

3 List of activities "of public necessity" under the syndical law established by decree of the Head of the Government, March 20, 1927, in *Codice corporativo*, published by Angelo Signorelli, Rome, 1934, pp. 65-68.

4 "Crimes against the order of labor" may, however, also be punished, especially in regard to the leaders, by the Special Tribunal for the Defense of the State.

5 "Crimes against the order of labor in the report of the Minister of Justice to the Head of the Government" in *Sindacato e Corporazione*, Ministry of Corporations, Rome, September, 1934, v. 62, pp. 277-294 and "The activity of the Magistracy in labor cases during 1934," *ibid.*, March, 1936, v. 65, pp. 323-327.

reported for the crimes of invasion or occupation of premises, of boycott, or of sabotage. Two convictions of lockout are reported for the first period and one for 1934. The latter instance was a lockout only in the technical meaning (collective abstention from work of the self-employed) and consisted in the action of five independent butchers in closing their shops in order to influence the authorities to increase the legal price of meat. The strikes were classified as follows:

<i>Purpose</i>	1926-1933		1934	<i>Total</i>
	<i>Total</i>	<i>Annual Average</i>		
Contractual .....	120	17.1	4	124
Non-Contractual (political) .....	0	0.0	4	4
Coercion of the Authorities .....	32	4.6	0	32
Solidarity or Protest .....	1	.1	4	5
Totals .....	153	21.9	12	165

The number of individuals found guilty by the 153 convictions of strike during the first period is stated to have been 7,750 or an average of 50.7 per strike and 1,107 per year. Two hundred eighty-one workers were found guilty in the twelve sentences handed down in 1934 or an average of 23.4 per strike. Strikes of any considerable importance appear, therefore, to have been prevented by the Fascist syndical system and its corollary enactments of penal law. The strikes which have occurred, however, in spite of the necessary lack of organized preparation and the dangers inherent in their illegality, especially the 122 strikes (30.4 per year) during the years of adjustment to the depression (1928-1931), indicate that Fascism has not yet attained to a wholly peaceful relationship between the "giver of work" and the worker. In view of the well-known lesser dependence of employers upon the weapon of the lockout the record of only two convictions for genuine lockout is not of great significance.<sup>6</sup>

<sup>6</sup> Rosenstock-Franck, *L'Économie Corporative*, 1934, pp. 204-205, records certain cases in which the courts showed leniency in acquitting or punishing lightly participants in minor strikes, especially when the strikes were in

A quasi-legislative character must be imputed to the negotiation of collective labor contracts by the official syndicates, as well as to the formulation of labor conditions by the courts in collective labor controversies, since the contracts and judicial awards are binding upon others than the actual members of the associations contracting or litigant. The collective contracts and judicial awards are, however, only a part of the governmental regulation of labor conditions. Besides the contracts and judicial awards regulation of labor conditions other than wages<sup>7</sup> by the corporative institutions is also authorized and there exists some direct labor legislation,<sup>8</sup> especially the so-called "laws of guarantee" giving workers the right to notice in advance in case of dismissal and to the payment of an indemnity where the dismissal was not the worker's fault, provisions which the collective contracts may modify only in the worker's favor.

A collective labor contract must be made by two governmentally recognized syndical associations.<sup>9</sup> When the contract has been signed by the directing officer of each of the associations or by his authorized delegate and has been published by the proper governmental authority (the Ministry of Corpora-  
protest "against the non-observance of labor contracts," but he notes that the Court of Cassation was inclined toward severity in similar cases.

<sup>7</sup> The question of wages is restricted exclusively to the collective labor contracts by Declaration XII of the Charter of Labor.

<sup>8</sup> The ordinary Italian labor legislation, as in no sense a distinctively Fascist governmental method, will not be further considered. It is regarded by Fascists since the establishment of the official syndical system as an exceptional expedient.

<sup>9</sup> The Fascist collective labor contract is authorized and defined in the syndical law of April 3, 1926, No. 563, already cited. Article 10 of that law and articles 47-55 and 58-60 of the "Rules for the execution" of that law, in the royal decree of July 1, 1926, No. 1130, relate to the contracts. The royal decree of May 6, 1928, No. 1251, regulates the submission to, and publication by, the government of collective labor contracts. The continuance of existing contracts beyond their dates of expiration until a new contract is made or new conditions of labor are established by a court decree is provided by the law of January 25, 1934, No. 150.

tions in the case of contracts affecting more than one province; the Prefecture in the case of local or provincial contracts) it is binding upon all employers and workers of the categories represented by the contracting associations unless its terms specify a smaller group.

The contract must be in writing and must specify the length of time during which it is to remain in force. Nevertheless the contract continues to have effect after the end of that period until a new contract is made or new labor conditions are established by a court in a collective labor controversy. A copy must be deposited for publication with the proper governmental authority, normally within thirty days of the signing. Syndical officers neglecting to make the deposit are liable to a fine. The associations are civilly responsible for violations of a contract by those whom they represent when they have assumed specific obligations to this effect in the contract. No contract appears as yet to have included such a clause.<sup>10</sup>

Services "of a personal or domestic character" may not be regulated by collective contracts. Any clauses in individual contracts of employment less favorable to the worker than those of the governing collective labor contract are invalid and are replaced in the eyes of the law by the relevant clauses of the collective contract. An individual contract of employment may, however, validly provide for conditions more favorable to the worker than those in the collective contract.

10 *Publicazioni a cura della Confederazione Fascista dei Lavoratori dell'Industria, Serie B. (Propaganda), N. 1, Organizzazione sindacale e Ordinamento corporativo*, Rome, 1934, p. 162. The author was informed by an official of one of the workers' confederations that to his knowledge no claims had ever been made against the guarantee funds of the syndicates (see above, p. 66) and that the payments of 1% of the obligatory dues normally destined to this fund were sometimes assigned to other purposes, generally at the suggestion of the Ministry of Corporations. The syndical officials resisted suggestions that this payment go to outside activities, such as the *Opera Nazionale Balilla*, he said, and tried to keep it for some syndical purpose.



The governmental authority with which a collective contract is deposited passes only upon its conformity with legal provisions and the contract is approved for publication after investigation and approval by the Corporative Inspectorate.<sup>11</sup> When publication is refused an appeal is permitted to the courts which judge the collective labor controversies. No contracts are to be published which do not contain "precise rules" upon specified matters conforming to certain relevant declarations (XIV-XX) of the Charter of Labor. Thus disciplinary relations must be defined in the contracts and the Charter declares that infractions of discipline or acts which disturb the normal operation of the shop committed by workers "are punished according to the seriousness of the fault by a fine, by suspension from work, and, for the most serious cases, by immediate dismissal without indemnity," such cases being specified in the collective labor contracts and the penalties being enforced by the employer. The trial period of employment must be stated and during this period according to the Charter "the right to dissolve the contract (of employment) is reciprocal simply through payment for the actual working time." The amount of compensation and the manner of payment are also to be stated. On this subject the Charter exhorts that payments are to be made "in the form most consonant with the requirements of the worker and of the undertaking," that in the case of piecework figured on a longer period than two weeks "adequate payments on account are due every week or every two weeks," that night work "not included in regular periodic shifts is to be compensated with an additional percentage over day work," that in piecework the fees "should be so determined that the diligent worker of normal working capacity may be allowed to earn a minimum sum over the base pay."

The Charter of Labor also contains the following provisions regarding just wages in Declaration XII: "The action of the syndicate, the conciliatory function of the corporative organs

<sup>11</sup> Inspection service of Ministry of Corporations.

and the sentence of the Labor Court guarantee that the wage shall correspond to the normal requirements of life, to the possibilities of production, and to the efficiency of labor." The weekly rest period, normally on Sundays, to which workers have the right under the Charter is to be specified. In this connection the Charter also declares that "hours of work ought to be scrupulously observed by the workers." The "annual paid vacation" to which workers in non-seasonal occupations are entitled after a year of uninterrupted service must also be provided for. The contract must also regulate the "indemnity proportional to the years of service" which must be paid by employers in non-seasonal occupations at the termination of the employment relationship through the death of the worker or through his dismissal for no fault of his own. Provisions regarding the change of ownership of firms must respect the principle that in non-seasonal occupations such a change does not dissolve the employment relationship or impair the rights of the workers. Further provisions must conform to the declaration that the calling of a worker to military service or to service in the Voluntary Militia for National Security is not a cause for dismissal. Any of the required provisions which are here mentioned may be omitted from a contract if the matter is covered by a law, if it is made unnecessary by the special character of the labor relationship, or if the contract binds the parties to complete its provisions by subsequent agreements.

Authority to make collective labor contracts, it will be remembered, is vested in the directing officers of the syndical confederations and federations. General standards regarding the contracts to be entered into by a confederation or federation may be formulated by its executive committee. It should be noted that no provision is made, certainly no requirement, that the persons affected by the contractual negotiations, even if members of the syndicates, be consulted directly as to the terms to which their organization may agree. The making of con-

tracts is a function of the officials of the syndical organizations. In general the confederations are to make only a broad and general type of contract applying to the groups which they represent throughout the Kingdom. Under the syndical reorganization of August, 1934, the main contractual functions belong to the federations. These bodies acting through their directing officers may make contracts applying to whole categories of their members. The directing officers of the provincial or inter-provincial syndicates of a federation acting as the controlled delegates of the directing officer of the federation make the bulk of the local "completing" contracts (*contratti integrativi*), which fill in the details often omitted from the contracts of the federations and confederations. To convey a better understanding of the nature of the collective contracts three examples taken at random from the pages of the Italian press will be described.

An example of a collective labor contract applying nationally to an entire category of workers is that regulating the status of certain workers in the cotton industry classified as "assistants" (*assistenti*).<sup>12</sup> The "assistants" were defined by the contract as those workers, however designated, who tended to the mechanical adjustments necessary to the normal functioning of a group of machines and watched over the progress of the workmen's tasks. The trial period of employment was fixed at 28 days. The normal working time was set at eight hours a day but the customary periods before and after the normal working time, within a maximum of 40 minutes a day, occupied in preparations for work and in assuring the regular beginning and ending thereof, were not to be considered overtime and were understood to be completely recompensed by the regular fortnightly pay. Annual paid vacations were provided as follows: six days for persons employed by their firm for from one to five years, ten days for those employed for over five years. The vacations were to be continuous if this was

<sup>12</sup> *Il Lavoro Fascista*, April 25, 1935.

compatible with the local requirements of the industry. The vacations were to take place "preferably" in the period from May to October. Payment for vacations was to be made in advance. In case of the illness of a worker his position was not to be filled for six months and two-thirds pay was due him for the first three months of illness. In case of accident the firm was to give full pay for not more than three months, including insurance payments in that amount. For dismissals and resignation 28 days' notice was required, except during the trial period. The indemnity for dismissal was set at eight days' pay for each complete year of service after January 1, 1919. In case of death the indemnity was to be paid to the workers' dependents. Veterans of the War and of the Fascist Revolution were entitled to an additional indemnity above that computed for their actual service. Minimum rates of pay for fortnightly periods were fixed for different classifications of workers at 255 lire (\$22.95),<sup>13</sup> 235 lire (\$21.95) and 190 lire (\$17.10). Individual wages paid at a higher rate were to remain unchanged. Payment was required to be made on a fortnightly basis. In case of the reduction of work the workers were to receive "75% of two-thirds pay" (one-half pay) for the hours not worked.

On September 30, 1934, employers' and workers' organizations representing pastry-making shops in the Province of Rome formed a collective contract to complete locally the national contract applying to their category.<sup>14</sup> The contract contained definitions supplementing those of the national contract regarding the classification of workers. These provisions in the local contract related only to the two groups of workers receiving the highest pay. Rates of weekly wages were established ranging from 210 lire (\$18.90) to 108.50 lire (\$9.77) for different groups of workers, except those less than 18 years

<sup>13</sup> These estimates of equivalent pay in dollars are figured at the rate of nine cents per lira.

<sup>14</sup> *Il Lavoro Fascista*, October 31, 1934.

of age and apprentices. Women workers were to receive 20% less than the wages specified. In regard to the hours of work the local contract contained provisions to the effect that time out was to be allowed as follows: for cleaning and arranging worktables, one-quarter hour; for personal care and eating, one-quarter hour; but if the working time was divided into two periods then an additional quarter hour of time out was to be allowed. The "dead season" during which under the national contract working time and pay might be proportionally reduced was fixed as from July 1 to September 30 for the city of Rome (subsequent agreements were to cover other cities of the province) and the working time might then be reduced to five hours daily. The contract also provided that its clauses were to apply to certain groups of pastry-makers employed by concerns in allied fields.

Another example of a "completing" contract was that relating to the workers of one of the large telephone companies, which centers its operations in Milan and Turin in northern Italy.<sup>15</sup> This agreement supplemented for the region in which it applied the national contract for telephone workers concluded March 16, 1933. Strictly speaking, three separate contracts were involved since the provisions relating to "employees" (*impiegati*), "switchboard personnel" (*personale di commutazione*), and "workmen" (*personale operaio*) were contained in separate documents. The scales of pay provided by the contract varied in the case of employees' monthly salaries from 1,600 lire (\$144) to 300 lire (\$27), the least paid group including only women, while the daily wages of switchboard personnel and workmen varied from 23 lire (\$2.07) to 11.50 lire (\$1.04) and from 25.90 lire (\$2.33) to 12 lire (\$1.08) respectively.<sup>16</sup> The salary and wage groups were classified rather minutely on the double basis of function performed and of the number of subscribers of the stations to which the per-

15 *Il Lavoro Fascista*, October 21, 1934.

16 The pay of apprentices is omitted.



sonnel was attached. Female employees and workers were classified in separate groups with lower rates of pay than those of the corresponding male groups. An interesting attempt to wish away the tendency of minimum rates of pay to become maximum rates was contained in the contracts for employees and for switchboard operators. "The parties," the contract declared, "are in agreement that they intended to fix minimum salaries." No employee, operator, or workman might under the contract refuse to do overtime, holiday, or night work whenever such work was requested unless he was prevented by justifiable individual reasons. For work on holidays or Sundays not included in regular working shifts additional pay, as provided in the national contract, and a substitute day of rest were due to the worker. Further provisions related to allowances to be paid for food, transportation, and lodging in the cases of persons permanently transferred or temporarily assigned to work outside their ordinary zones. Persons employed by the company were to be entitled to discounts of 50% on subscriptions to telephone service. Persons wounded for the Fascist cause and "old Fascists" were entitled to the same advantage as these groups received when employed by the State. Operators and workmen were required to have certain articles of apparel. The operators were to provide for the making of their aprons, the company furnishing the materials. The company was to provide the required clothing of the workmen at its own expense. In either case articles damaged before the time set in the contract for their replacement were to be replaced at the expense of the "negligent" worker.

The general form and content of the Fascist collective contracts is indicated by the contracts just described. Further illustrations of the type of contractual activity carried on by the Fascist syndicates, in this case showing how a series of agreements may serve to put into operation a policy formulated by the dictatorship, will be found in the Fascist "work-sharing"

campaign.<sup>17</sup> The "work-sharing" system of combatting unemployment, although not a new practice, came into prominence as a major policy of the Régime through extensive notices in the Italian press and through a series of syndical agreements negotiated in the period since the end of the summer of 1934. An article appearing in the August 12, 1934, issue of *Il Lavoro Fascista*, the organ of the workers' syndicates, described in some detail the extent and nature of work-sharing among commercial workers in the previous year and a half as typical of similar activities carried on for some time in many fields of employment. The "initiative" for particular activities appeared, according to the article, to have arisen from the workers' syndicates though the general impetus seems to have come from governmental circles. The method followed was the shortening of the time worked by persons regularly employed and the substitution of exchange workers (*lavoratori turnisti*) drawn from the unemployed for definite periods. The article listed four principles as being applied to this activity:

1. Firms having much overtime would eliminate or greatly reduce this factor in order to take on more workers.
2. It was urged upon employers that dismissals be made only when absolutely unavoidable.
3. Laws regarding the weekly day of rest and other holidays were to be strictly observed.
4. When occasions should arise for the replacement of existing workers with others of greater efficiency the possibility was to be considered of replacing female personnel and those "not in absolute need of working" (e. g., workers having pensions) with unemployed male workers.

There is clearly some contradiction between points 2 and 4, and under point 1 employers would be put to no great inconvenience in view of the elimination of whatever extra pay was

<sup>17</sup> Though referred to as "agreements—*accordi*" the work-sharing agreements appear to have the legal status of collective labor contracts and were submitted to the Ministry of Corporations for publication in the usual way.

customarily given for overtime work. The results of the program were thus summarized:

The total of work-sharing days (*giornate di turno*) practiced in the year 1933 by all categories of commercial workers was 751,900 with an average of 11,207 workers participating (*lavoratori turnisti*) per month, while in the first three months alone of the current year [1934] by all categories of commercial workers the minimum of days of labor [shared?] was 469,146 with an average of 12,924 work-sharing workers (*lavoratori turnisti*) per month.

No indication appears that the cost of assuming the new part-time workers was not met by the proportionate reduction of the earnings of those already employed. At any rate, the 12,924 work-sharing workers of the first three months of 1934 would appear to have received an average of only about 12 days per month apiece. Those sharing work in 1933 would have averaged about 5.6 days per month. The work-sharing system was not then intended to apply to salaried employees (*impiegati*), but in the case of this group women and bachelors were to be replaced by married men with children. The principles recounted in this article are probably of more importance than the accomplishments chronicled and the article may be regarded as a prelude to the more intensive work-sharing campaign.

The basic document in the work-sharing system was the agreement between the Confederation of Industrialists and the Confederation of Workers of Industry concluded in October, 1934.<sup>18</sup> This agreement made forty hours the ordinary maximum weekly working time.<sup>19</sup> The application of a reduction in working hours to a particular category, however, was made dependent upon an agreement between the competent national federations of industrialists and of industrial workers designating the particular category as one in which "from a tech-

18 See *Il Lavoro Fascista*, November 6, 1934.

19 The forty hour week was made a legal requirement by a royal decree-law issued in December, 1936, *Il Lavoro Fascista*, December 13, 1936.

nical and economic point of view a reduction of working hours for the purpose of this agreement is possible."

Two percent of the amount earned by each worker weekly during the 40 hours of ordinary work must under the terms of the agreement be paid into a "National Fund for Supplementary Family Allowances" by the employer. The employer was authorized to deduct half of the amount from the wages paid to the worker. Whenever a worker should exceed the 40 hours standard, even in categories not subjected to the reduction, a payment equal to 10 per cent of his earnings for the extra time was to be paid into the fund, one half, in this case also, being deducted from the wage paid and the other half being paid by the employer. The purpose of the fund was to provide some compensation for workers with large families whose earnings were reduced under the work-spreading plan. The fund was to be administered jointly by the Confederation of Industrialists and the Confederation of Workers of Industry and payments out of the fund were to be made according to a schedule agreed to by both confederations.

The wages of all workers were to be reduced in proportion to the reduction in hours of work. "Overtime work," the agreement declared, "is to be understood to be abolished." In exceptional circumstances, however, a concern might have such work performed. It must notify the local employers' syndical organization for its category at least 24 hours before the overtime work was begun and must submit the reasons which prevented the hiring of new workers. The employers' organization was immediately to notify the corresponding workers' organization. If the two syndical organizations were in agreement that the proposed overtime work was unnecessary they might forbid it. In case of disagreement between the syndical organizations the Corporative Inspectorate was to decide the question. The national federations were to "examine the situation of female and child labor with a view to replacing such labor, whenever it seemed necessary and possible, with adult male labor."

Only wage-workers as distinguished from salaried employees were affected by the foregoing provisions. In the case of employees overtime work was to be discontinued except in exceptional circumstances. The salaried employment of women and children was to be limited to positions for which they were "specifically competent." Persons in salaried employment and having pensions were to be replaced, "except in cases deserving of consideration." The arrangements provided by this agreement between the industrial confederations were initially limited to a trial period ending on April 16, 1935.

*Il Lavoro Fascista* carried on November 7, 1934, the day following the announcement of the industrial work-sharing agreement an extensive explanation and defense of the measures agreed to. The paper declared that this agreement coming so shortly after the Duce's "Speech to the Workmen of Milan,"<sup>20</sup> with its references to the Fascist principle of "social justice," showed that "guaranteed work" had become one of the precise goals of the Fascist revolution. The Régime had willed, the article continued, that a series of provisions for confronting immediately the painful phenomenon of unemployment be agreed to by the organizations of workers and of employers of industry. The principle of "assistance," succeeding that of philanthropy, was now replaced by that of "solidarity." The establishment of the "National Fund for Supplementary Family Allowances" marked the individualization of the problem of the large family in order to further the "demographic battle" as one of the "great directing lines for the development of the revolution in the social field." The task of applying practically the principles of the work-sharing agreements "in strict accordance with the possibilities, requirements, and peculiarities of individual categories and individual productive activities" was now laid upon the national federations,

<sup>20</sup> October 6, 1934. See *Giornale d'Italia*, October 7-8, 1934. Mussolini provided the name for his speech by stating to his audience: "You are here at this moment as protagonists of an event which the political history of tomorrow will call the speech to the workmen of Milan."



which represented the interests, and were acquainted with the questions, involved. The two confederations could not fail to be concerned with avoiding the placing of the whole burden of the work-sharing provisions upon the workers themselves and, instead, with effecting "a certain division" of this burden between workers and employers. In view of this idea the Fund had been established. It was considered just to increase the contributions to the Fund of those workers who "found themselves in any way in the privileged situation of being able to work for a longer period than the 40 hours weekly," and to make the family burden the necessary criterion for the compensatory payments from the Fund. The article concluded with the declaration: "Henceforth there is only a question of good will."

As an example of syndical representation this agreement cannot be passed over without some consideration of its obvious economic significance for the working population. For workers formerly employed for the legal 48 hours the reduction of working time to 40 hours would result in a diminution in earnings of one-sixth or 16.66 percent. As against this reduction these workers would receive as a group from the Fund for Supplementary Family Allowances, aside from the workers' contributions thereto and the penalty payments for overtime, the amount paid into the Fund by the employer of 1% of their former wages, still theoretically his total payroll, less, it may be supposed, one-sixth as the share of the newly hired workers in the disbursements of the Fund, or a final figure of .83% of their former wages. The net reduction of income to the workers already employed as a whole in the admittedly theoretical situation which we have sketched would, therefore, be 15.83%. Supposing that the employers paid the newly hired workers exactly the 16.66% withheld from those whose hours of work had been reduced, the net burden upon the employer would be a contribution of one percent of his total payroll, which would remain the same as before the hiring of the new workers.

While the distribution of the burden among individual workers would, of course, vary inversely according to the number of their dependents, even in the case of those with large families it would hardly appear that the Fund could make up the total reduction of weekly earnings. In any case, one-half of whatever allowance was received would come from the pockets of other workers rather than from the employers. The many variables involved in the operation of the work-sharing system make any such simple calculation as has just been made inaccurate as a precise statement of the economic effects. It is apparent, however, that no improvement in the economic status of the working population as a whole was involved and that the main effect of the measure was to place definitely the burden of mitigating unemployment upon the working population itself. It should be noted that these work-sharing measures were likely to have an effect, significant in the political field, in reducing the statistics of the totally unemployed. The role of the official representatives of labor in the conclusion of such agreements is certainly incongruous.

Similar to the industrial agreement, though less definite in contents, was the agreement between the Confederation of Merchants and the Confederation of Workers in Commerce.<sup>21</sup> This agreement stated that overtime work "ought to be abolished to permit the hiring of new personnel." When causes that could not be foreseen made necessary the performance of overtime work, a firm must "in the shortest possible time" notify its provincial union. The latter was then to notify the provincial union of workers to afford the opportunity for protest. The chief provision of the agreement read: "In firms employing wage earners [*operai*] (excluding workers in sales shops) and employing more than ten persons in all (excluding categories where such limitation may not be necessary) for the purpose of hiring new labor, excepting in cases of impossibility of a technical character, provision shall be made to reduce the work-

<sup>21</sup> *Il Lavoro Fascista*, November 13, 1934.

ing time at least two hours a day or to limit the working days of the week to make possible the use of working shifts." The exact conditions for such arrangements were to be drawn up by agreement of the national federations. Workmen (*operai*) having pensions of more than 300 lire (\$27.00) per month and employees (*impiegati*) having pensions of more than 500 lire (\$45.00), except holders of pensions from the World War or from the Fascist Revolution, were to be replaced by new workers. Within a year after the agreement became effective firms were to limit their female personnel "to what is strictly necessary," in order to take on new help. With the exception of certain firms, quotas of female personnel set up by the national federations were to be binding in all firms in the categories represented. Such percentages in no case were to exceed 20%. The national federations were permitted to adopt other measures for the reduction of unemployment not inconsistent with the general agreement. This agreement was to have a trial period of one year. The burden of work-sharing under the commercial agreement as under that for industry appears to have been borne by the workers already employed, without even the slight help represented by the industrial employers' contributions to the Fund for Supplementary Family Allowances. The article in *Il Lavoro Fascista* presenting the text of this agreement stated significantly: "The fundamental lines of the agreement are those indicated by the Régime, adapted to the special conditions of the commercial categories."

An agreement between the national federations in the hotel business will serve as an example of the more specialized agreements by which the general work-sharing agreements were applied. During the period from November 1, 1934, to March 31, 1935, firms conducting a hotel business were required to employ a total number of persons equal to the total employed by them on November 1, 1934. The firms were permitted to replace any person employed by them with an unemployed worker. Apparently previous tenure and discharge indemnity

provisions were abrogated by this clause. All firms which on November 1, 1934, employed more than ten persons were required to hire for the period from November 1, 1934, to March 31, 1935, one additional person from the unemployed if they employed less than 100 persons, and two such persons if they employed 100 or more. The unemployed persons so hired might belong to any category and might at any time be replaced. The firms were also required to pay an additional day's wages (one-half a day's wages for firms employing not more than ten persons) for each employed person monthly to an agency to be established jointly by the employers' and workers' syndical organizations. In consideration of this contribution the firms were to be exempt from any other contribution for "the struggle against unemployment." The use to be made of this contribution was not stated in the agreement as reported but from the analogy of similar arrangements in other fields it would appear to have been destined to aid unemployed hotel workers, not taken care of by the hiring of new help under the agreement.

The work-sharing campaign inaugurated in 1934 by the industrial and commercial agreements did not come into full operation until well into the month of December, 1934, since the intervening time was necessarily absorbed in making the subsidiary agreements of the national federations, such as the one just described, which were required to apply the general principles to particular activities. The general campaign extended to agriculture, credit and insurance, and professional and artistic activities as well as to the industrial and commercial groups but, except in agriculture, which constituted a somewhat special case, the arrangements in these fields were of relatively minor significance. In the other groups the emphasis was placed chiefly upon the replacing of employed women with men and upon the abolition of overtime work, with considerable allowance for exceptions in respect to the latter requirement.

In agriculture the agreement of the confederations<sup>22</sup> followed the long-standing Fascist policy of "fixing the peasant to the soil"<sup>23</sup> and sought to relieve the unemployment, especially seasonal, of agricultural laborers by encouraging the substitution of a share system, or at least of partial payment in kind, for the wage-earning relationship and by reenforcing at the same time the system of the "imposition" of minimum quotas of laborers upon agricultural firms provided by some of the collective contracts, the new workers being subject to the system of partial payment in kind.

Among the professional and artistic categories an attempt was to be made to distribute available work more equitably according to the needs of the individual members, for example, in the assignment of tasks by the courts in judicial proceedings.

As a result of the various work-sharing measures the Secretary of the Fascist Party was able to report to the National Directory on December 24, 1934,<sup>24</sup> that the following numbers of workers had already been "reabsorbed":

In industry .....	106,602
In agriculture ("seasonal unemployment") .....	11,325
In commerce .....	10,013
In credit and insurance .....	706
	<hr/>
Total .....	128,646

In spite of these arrangements, however, the official statistics showed as of February 28, 1935, when the work-sharing system should have been in full operation, a total of 955,533 unemployed as compared with 905,114 on October 31, 1934, and only by March 31, 1935, had the figure been reduced to 853,189, a figure below that for October. The work-sharing system operated slowly even in reducing the statistical totals of the wholly unemployed and the reductions finally reached in

<sup>22</sup> *Il Lavoro Fascista*, October 27, 1934.

<sup>23</sup> Cf. remarks in parliamentary debate above, p. 36.

<sup>24</sup> See *Il Popolo d'Italia*, December 25, 1934.



1935 may in part have been due to preparations for the Ethiopian War.

The system of work-sharing agreements has been described as an illustration of Fascist syndical representation in the contractual sphere particularly indicating the docility frequently shown by the official representatives of the workers in the defense of the interests of their group. While the general tendency of wage-scales appears to have been downward from the beginning of depression conditions in Italy in 1928 until after the end of the Ethiopian War a cessation of this trend may be indicated by the agreements providing for increased wages negotiated in many fields in the summer of 1936. The effect of those agreements upon real wages may be complicated by the devaluation of the lira on October 6, 1936, although measures were then announced prohibiting any increase in the prices of consumption goods.

The total number of collective labor contracts having application to more than one province deposited with the Ministry of Corporations for publication up to December 31, 1935, was 1,092. Of these during the same period 785 were officially published and put into force, the distribution of those published being as follows: 308 in industry, 33 in agriculture, 95 in commerce, 46 in sea and air transportation, 162 in land transportation, 128 in credit and insurance, and 13 in the professions and arts. The total number of contracts relating to a single province or some smaller area deposited with the provincial authorities for publication during the same period was 14,534. Of these 9,164 were published, distributed as follows: 4,779 in industry, 1,164 in agriculture, 1,481 in commerce, 5 in sea and air transportation, 1,524 in land transportation, 121 in credit and insurance, and 90 in the professions and arts.<sup>25</sup>

<sup>25</sup> Ministry of Corporations, *News Notes on Fascist Corporations*, May, 1936, year 8, No. 5, p. 5.

## CHAPTER VII

### SYNDICAL FUNCTIONS: LABOR LITIGATION

ALTHOUGH the negotiation of collective labor contracts is the normal form taken in Italy by the process of regulating conditions of labor, the collective labor controversies, which occasionally arise, lead to a different type of regulation embodied in the decree of a court establishing labor conditions binding upon those represented by the litigant syndical associations and setting aside any conflicting collective labor contract. Judicial settlement of this nature is in practice seldom resorted to since generally the syndical representatives of employers and of workers, being in both cases members of the Fascist political group, are able to agree upon contractual terms. In most cases of collective labor controversies, representing an initial failure by negotiators of the official employers' and workers' organizations to reach an agreement, subsequent consultation with other officials under the required conciliation procedure results in a settlement without resort to the courts.

During the period from the establishment of the Fascist syndical system by the basic legislation of 1926 through the year 1933 only 36 collective labor controversies were brought before the courts. In twenty of these cases conciliation was accomplished during the course of the trial and only fourteen were settled by judicial sentence.<sup>1</sup> The two cases carried over were abandoned by the litigant parties in 1934. During that year only two cases were brought before the courts and in both cases conciliation was reached before the final decree of the court.<sup>2</sup> During the period from 1929 to 1932, moreover, no

1 "The work of the Magistracy in the field of collective and individual labor controversies" in *Sindacato e Corporazione* (1934), v. 61, pp. 45-70.

2 "The activity of the Magistracy in labor cases during 1934" in *Sindacato e Corporazione* (March, 1936), v. 65, pp. 323-327 and *Annuario Statistico Italiano*, 1935, p. 274.

collective labor controversies relating to commercial workers were ever brought before the courts.<sup>3</sup>

Judicial settlement of collective labor controversies, it appears, is regarded by the Fascist syndical officials as a distinctly exceptional expedient. It is probably resorted to only in cases where a peculiarly delicate controversial situation makes it inadvisable politically for the syndical representatives, especially those of labor, to make the necessary concessions in direct negotiation. In such cases the interposition of the judicial authority may be found useful.<sup>4</sup>

The Magistracy of Labor, as the courts which judge collective labor controversies are called, was established by the syndical law of 1926.<sup>5</sup> These labor courts are sections of the sixteen ordinary courts of appeal. The labor courts have exclusive jurisdiction over all collective labor controversies, and also serve as courts of appeal in individual labor controversies.<sup>6</sup> The sections of the courts of appeal serving as labor courts are composed of three ordinary judges and two citizens who are "experts in the problems of production and of labor."

A register of citizens eligible for service in the labor courts

3 *Confederazione nazionale dei Sindacati Fascisti del Commercio, Relazione del Presidente*, Rome, 1933, p. 142.

4 The pamphlet, Ministry of Corporations, *Development and Work of the Corporative Organization in the First Decennary of Fascism*, Rome, 1933 (pp. 50 and pp. 3 addenda), pp. 13-14, refers to the collective labor controversies brought before the courts as being "relatively small" in number and ascribes this fact to the "spirit of collaboration, as fostered and developed by the practical work of the syndicates and corporations." Cf. Rosenstock-Franck, *L'Économie Corporative*, 1934, pp. 179-186, where the role of the courts in collective labor controversies is regarded as purely political and the possibility of judicial independence is treated with skepticism.

5 In the law of April 3, 1926, No. 563, articles 13-17 refer to the Magistracy of Labor, *Magistratura del Lavoro*. Further provisions relating to this authority are contained in articles 61-91 of the royal decree of July 1, 1926, No. 1130. Declarations V and X of the Charter of Labor also refer to the labor courts. These are the legal provisions covering collective labor controversies.

6 See below, p. 124 and pp. 129-132.

is maintained by each court of appeal and is subject to revision every two years. The persons listed, who must with some exceptions be university graduates, are classified according to their special fields of competence and each year the first president of the court of appeal designates those persons who are to serve in the labor court in cases involving each of the various groups into which the panel of experts is divided. The "expert councillors" are paid for the days on which they actually serve. No person may serve as councillor in a case in which he is directly or indirectly interested.

When the court is called upon to interpret existing agreements it is to act according to the legal rules for the interpretation of contracts. In the revision of contractual terms or in the formulation *de novo* of quasi-contractual regulations, the labor court is to act according to "equity, reconciling the interests of the employers and those of the workers and safeguarding in every case the superior interests of production." New labor conditions formulated by the labor court must be for a period of time definitely specified by the court, "generally that established by custom for the agreements freely negotiated." In the formulation of such new labor conditions two elements would appear necessary for any intelligent action by the court: the current cost of living and the costs of production of the enterprises concerned. The former is available in officially published statistics, which may not, however, apply with strict accuracy to the region concerned. As to costs of production, a considerable variation between enterprises may be assumed to exist and it would appear from the law<sup>7</sup> that the court is limited to securing its information in this matter from the oral testimony of the parties and from such documents as they may voluntarily submit.

Only a legally recognized syndical association, or, "when the public interest requires it," the attorney for the government may bring a collective labor controversy before the labor court.

<sup>7</sup> Article 83 of the royal decree of July 1, 1926, No. 1130.

The controversy must be brought against another legally recognized syndical association, except that where no such association exists the defense may be entrusted to a special trustee (*curatore speciale*) appointed by the president of the court.

No action may be brought in a collective labor controversy by a syndical organization belonging to a federation or confederation or linked with organizations of the other factor of production in a corporation unless the federation, confederation, or the corporation has attempted and has failed to secure a friendly settlement of the controversy. The president of the court, moreover, must himself make an attempt to bring the parties to an agreement before the court can proceed to hear the case. Before reaching a decision in collective labor controversies the court must hear the oral conclusions of the attorney representing the government. An appeal is permitted on points of law to the Court of Cassation (the supreme court of Italy). The final decisions of the labor court in collective labor controversies are published in the same manner as collective labor contracts and have the same legal effects as such contracts.

Even while a collective labor contract is still in force a collective labor controversy may be begun for the establishment of new labor conditions "provided that there is shown to be a notable change in the state of facts existing at the time of the agreement." This provision is of special importance since in essence it makes all collective labor contracts tentative in nature and subject to termination or revision by action of the labor court wherever either party may convince the court of a sufficient change in the *status quo*.

Two of the more important cases decided by the labor courts may serve as examples of the type of procedure followed in the rare instances in which recourse has been had to the judicial settlement of collective labor controversies.<sup>8</sup> The first case ever brought before the labor court was the collective controversy

<sup>8</sup> See Rosenstock-Franck, *L'Économie Corporative*, 1934, pp. 192-196, and Haider, *Capital and Labor under Fascism*, New York, 1930, pp. 199-205.



affecting the rice-hoers of the Po valley initiated by the employers in June, 1927. A collective contract had been negotiated in March. In the contract the representatives of the workers had agreed to a reduction of wages for their category amounting to 10%. The figures set were from 17 to 19 lire (\$1.53 to \$1.71) a day. The work involved is seasonal and according to Rosenstock-Franck "painful and unhealthful." A few days after the conclusion of the contract the employers, arguing that the price of rice was continually declining, demanded that all wages be reduced to 14 lire (\$1.26), a reduction amounting to 30% of the figure for the preceding year. The workers' syndicates refused to agree to this reduction and an attempt by the Ministry of Corporations to bring about an agreement failed. The case was then submitted to the labor court (the Court of Appeal of Rome). Before the court the employers' representative requested that the wages agreed to in the collective contract be reduced by 20% to a scale of from 13.60 to 15.20 lire a day (\$1.22 to \$1.36.) The representative of the workers then *offered* a reduction of .60 lire (five cents) a day, which would have resulted in rates of from 16.40 to 18.40 lire (\$1.48 to 1.66). The attorney for the government recognized the lowering of the value of rice but held that the workers' wages should not be lowered too much. The court decided upon the exact reduction (.60 lire per day) "offered" by the workers. The total reduction from the previous years' wages of the least paid group accomplished by these contractual and litigious manoeuvres was about 13%.

Another collective controversy of interest from the point of view of syndical representation involved the seamen. A contract signed in June, 1927, between the organizations of employers and workers in this field provided considerable reductions of wages. In December the employers asked for a further reduction. The workers' representatives refused to consent and both the Minister of Communications and the Minister of Corporations failed to effect the conciliation of the dispute. The

case then came before the labor court in Rome. The employers' representative asked that wages of crews of freighters be reduced by from 20% to 28%. The workers' representative then made an offer involving a reduction of 8% for officers and salaried employees without dependents working on passenger boats, 5% for all sailors, 3% for officers of freighters, and an additional reduction of 15 lire monthly for sailors on passenger boats. The attorney for the government expressed opposition to the further reduction of seamen's wages. The court ruled that the wages should remain unchanged for the first half of 1928 except that the wages of the inferior personnel of the freighters was to be reduced by 15 lire a month. The interesting point in this case is the fact that the workers' representative "offered" a more sweeping concession to the employers than the court and the government's attorney thought wise to grant.

The two cases described suggest an unaggressive attitude on the part of the official representatives of the workers. A similar role appears to have been played by the syndical officials in other important collective controversies.<sup>9</sup> Indeed, Rosenstock-Franck<sup>10</sup> suggests that the collective labor controversies reveal a definite procedure according to which the employers demand a very large wage reduction, the labor syndicates reply with the offer of a substantial concession, and a "victory for labor" is brought about by the court allowing a figure closer to the "offer" of labor than to the employers' demands.

The aspects of Fascist syndicalism so far considered are quasi-legislative in nature. Against the background of laws making criminal the acts through which labor struggles are usually carried on, a body of regulations governing labor conditions is made and altered by the Fascist leaders through contractual and more rarely through litigious forms. Under this system Italian labor, dependent upon the tutelage of a group

<sup>9</sup> See Rosenstock-Franck, *L'Économie Corporative*, 1934, pp. 194-203.

<sup>10</sup> *Ibid.*, p. 200.

of politicians who are drawn for the most part from another class, is definitely at a disadvantage in syndical bargaining. Indeed, an Italian employer and officer of an employers' syndicate remarked privately that whatever Italian labor had received through the Fascist Régime had come directly from the political sagacity of the dictatorship and was but slightly related to any activity of the workers' syndical organizations. Regulations, however, in the collective contracts and in the rare judicial awards in collective labor controversies restrict the liberty of the Italian employer in the treatment of his workers. The manner of enforcement of these forms of regulation must also be considered.<sup>11</sup>

Enforcement of the collective labor contracts and judicial awards fixing labor conditions is ordinarily left to the individual labor controversy, a civil suit brought by a worker against his employer, or, in theory, also by an employer against a worker employed by him, to secure the rights of the plaintiff under regulations governing the employment relationship, generally those contained in a collective labor contract. Besides the civil suit, and, indeed, as a necessary preliminary thereto, there is also the possibility of settlement through the conciliatory functions of the competent syndical organizations and, finally, there is the procedure of criminal prosecution under the laws regarding crimes against the order of labor. It will be remembered that these crimes include the "failure to observe the rules disciplining labor relations and the decisions of the Magistracy of Labor." Article 509 of the Penal Code provides that an employer or a worker who does not fulfill the obligations imposed upon him by a collective contract or by the rules issued by the corporative organs<sup>12</sup> shall be punished by a fine of not more than five thousand lire and that an employer or a worker

11 As largely irrelevant to the political arrangements, the minor activities administered by the syndical officials, assistance of an insurance nature, cultural and educational programs, etc., are excluded from the scope of our study.

12 See below, p. 150 and p. 187.

who refuses or who in any way fails to execute the quasi-contractual regulations of the labor court in a collective controversy shall be punished, when the act does not constitute a more serious crime, by imprisonment for not more than one year or by a fine of not more than ten thousand lire. The aggravating circumstances listed for the other crimes against the order of labor operate in these cases also to increase the penalties.

Because of the weakness of an individual worker's position as against his employer it is clear that in the enforcement as well as in the fixing of labor conditions the main burden must rest with the syndical organizations. Inquiries were, therefore, made in November, 1934, at the office of one of the workers' syndical confederations as to the activities carried on by the syndicates to ensure the enforcement of the contracts. The official consulted admitted that violations of the contracts on the part of employers were frequent and usually went unpunished. Under the Fascist syndical system the maintenance of shop committees, or representatives of the workers of particular concerns with power to deal with the employer in day to day disputes, is strictly excluded. All representations regarding labor conditions must pass through the provincial organizations of the workers and employers concerned and never directly between an employer and a group of his own workers. In order to maintain contact with employment conditions in a particular firm, the official consulted stated, the syndical organizations sometimes designate a worker in such a firm as *fiduciario* or correspondent. Such representatives are occasionally mentioned in *Il Lavoro Fascista* but an official of the Ministry of Corporations professed not to know of their existence, an indication that the institution is not widespread in its application. In certain instances, it was stated, syndical officials also call meetings of the workers of particular firms in order to hear complaints regarding the application of the collective contracts in force. While meetings of this sort are reported occasionally in *Il Lavoro Fascista*, it does not appear that they are of regular occurrence. Such meetings seem rather to be

held when a situation of persistent non-conformity has already come to the attention of the syndical officials.

In case the syndical authorities find through the means described that an employer is consistently violating contractual conditions, it was stated in the interview, two courses are open to them. The more usual procedure is merely the transmissal of a protest to the syndicate to which the employer belongs in order to secure its good offices in bringing him to a better corporative morality. In more serious cases, however, a report is made to the Corporative Inspectorate of the Ministry of Corporations, which can make an inquiry through the ordinary police and may bring about a criminal prosecution of the employer under the laws regarding the order of labor. The official consulted declared that the membership of the Corporative Inspectorate was wholly inadequate to keep a regular check on all firms. Moreover, since the contracts are not laws but merely contractual arrangements made binding by law upon others than the actual contracting parties, he stated that the employer was generally able to escape punishment by pleading ignorance of the contractual provisions applying to him. It would have to be proved in the criminal prosecution that the employer had knowingly violated the contract and the official consulted stated that in the field covered by his confederation many of the contracts in force were new and that the employers were largely ignorant of their terms.

The statement, made in the interview, that an employer may not be convicted of the crime of non-fulfillment of his obligations under the collective contracts unless it can be proved that he knowingly committed the violation is distinctly important. A belief among the officials of the workers' syndicates that the courts will take this view of the law would seem to remove the possibility of enforcing the contracts by means of prosecutions under the criminal law in a great many cases. It would rarely occur that the contract involved was personally negotiated by the employer whose violation of it was under investigation and in other circumstances some proof of his knowledge



would seem to be required. The workers' syndical organizations would thus be left in practice with only the weapon of formal representation to the employers' syndicate besides such support as they might give to individual workers in the individual labor controversies.

Italian jurisprudence had not at the time of the interview conclusively settled the right to plead ignorance in criminal cases involving the violation of collective contracts but the preponderance of cases<sup>13</sup> supported the views expressed. Shortly thereafter a decision of the Court of Cassation, as interpreted in the official bulletin of the Ministry of Corporations,<sup>14</sup> appeared by its emphasis upon the element of conscious violation of contract terms in the crime of non-observance of collective contracts to lend support to the view of the law expressed by the official interviewed. The Court also appears to have restricted punishment under the criminal law to violations of certain basic provisions of the contracts. The following definition of the crime of non-observance of collective contracts is ascribed to the Court:

According to the Court of Cassation, for the establishment of said crime it is necessary that in its objective aspect one of the rules of the contract in which basically the principles consecrated in the Charter of Labor is applied be violated so that the corporative organization as well as the public economy is injured and disturbed, and in its subjective aspect that the fact constituting non-conformance be committed with knowledge and will to fail to live up to an obligation imposed by the collective contract, that is, that there be conscious contempt of the law.

The implications of this legal construction are emphasized by the criticism leveled at the decision in the bulletin of the Ministry:

13 "Crimes against the order of labor in the report of the Minister of Justice to the Head of the Government," in *Sindacato e Corporazione*, September, 1934, p. 285.

14 *Sindacato e Corporazione*, March, 1936, p. 333. The case was "Ric. Parbellini ed altri," decided December 3, 1934.

These principles, however, have not found unanimous approval in doctrine.

It has been observed that to restrict the penal control to non-conformances only with respect to the fundamental clauses of the collective contracts would indicate the establishment for purposes of punishment for non-conformance of a hierarchy among the clauses of the same contract which besides not being foreshadowed by the statute would give rise to uncertainties and fluctuations and would result in diminishing the efficacy of the penal rule which the new code sanctioned for the more certain guarantee of the collective discipline of labor relations. It has also been observed that the structure of the crime provided by article 509 of the Criminal Code does not require in the offense any different criteria from those required for any other crime (will and foresight of the result), that is, that it is not concerned with knowledge of the illegality of the action or of the result.

Another legal decision made in 1934, this one by a lower court, also relates to the problem of the enforcement of the collective contracts by criminal prosecution.<sup>15</sup> In this case it was held that a worker who accepts employment under different conditions from those required in the governing collective labor contract or who in any way gives his consent to proposals of his employer in this direction becomes equally guilty with his employer in the crime of violation of the contract. While some increased resistance on the part of individual workers to arrangements violating the collective contracts may result from this decision, its chief effect will probably be to deter many workers who have in some way consented to a contractual violation against their own interests from reporting such a violation to the governmental or syndical authorities.<sup>16</sup>

15 *Sindacato e Corporazione*, loc. cit., p. 334.

16 The official figures for convictions for non-observance of collective labor contracts are 661 judgments (or 94 annually) during 1928-1933 (*Sindacato e Corporazione*, September, 1934, p. 279) and 771 sentences during 1934 (*Sindacato e Corporazione*, March, 1936, pp. 323-337). The 1934 convictions are said to have involved 936 persons while detailed lists for that year indicate that 762 employers and 269 workers were convicted. Discrepancy of total noted.

The unequal positions of the two parties, employer and worker, in the individual labor controversy need hardly be pointed out. While the employers' legal counsel may often meet such litigation as a matter of routine, the worker who would begin such a suit while still actually employed must weigh, besides the legal expenses involved, the possibility of early, if not immediate, dismissal by his employer upon the first convenient pretext. The recognition by the Fascists of the need for special protection for those syndical officers who are actually employed in their category only emphasizes the unprotected position of the individual worker who contemplates bringing an individual labor controversy against his employer. Collective contracts between the employers' and workers' confederations in both industry and commerce forbid the dismissal or the transference of such syndical officers by their employers without a determination by the provincial inter-syndical committee<sup>17</sup> that the proposed dismissal is for other cause than the syndical activity of the person affected.<sup>18</sup> This protected group includes the members of the directorates of the provincial syndicates and of the other councils and committees of the syndical organizations as well as their directing officers. The suggestion that the logic of the system would seem to require that similar protection be extended to all workers who become plaintiffs in individual labor controversies was dismissed by the official of the workers' syndical confederation with whom the matter was discussed as "impractical."

The chief importance of individual labor controversies lies in the means, however inadequate, which they provide for enforcing the collective labor contracts. They may also involve the enforcement of individual contracts of employment when no collective contract exists or when the individual contract

<sup>17</sup> A joint committee representing the employers' and workers' syndicates and the Fascist Party.

<sup>18</sup> For the commercial contract, *Il Messagero*, Rome, November 8, 1934. For industrial contract, *Il Popolo d'Italia*, December 5, 1934.

contains terms more favorable to the worker than those of the collective contract.<sup>19</sup> Individual labor controversies are decided either by the local magistrates (*pretori*) or by the next higher court, the *tribunale*, the jurisdiction depending upon the amount of money involved. These courts in labor cases are to be assisted by two citizens who are "experts in the problems of labor" drawn from registers similar to those of the Magistracy of Labor for collective labor controversies. The presence of the two experts is not, however, essential in all cases of individual labor controversy but must be expressly requested by one of the parties at the beginning of the proceedings and even in such a case the court may dispense with such a provision if persons "fully suitable" are not obtainable. An appeal from the decision of the lower court to the Magistracy of Labor is permitted in individual labor controversies when the value involved is more than 2000 lire (\$180). In such cases the presence of "expert councillors" is regulated in the same way as in the lower courts, but in their absence two additional judges must participate.

No individual labor controversy may be brought before a court unless the plaintiff has previously notified the syndical association which represents his category of the dispute. The association representing the plaintiff must use its good offices through the association representing the defendant in an attempt to bring about the conciliation of the dispute. If the conciliation fails, or in any case after fifteen days have elapsed, the plaintiff may bring the case before the court. The syndical organizations representing the plaintiff and the defendant have the right, but are not required, to intervene in the proceedings of the suit if the case involves the nonfulfillment of a collective labor contract or of rules having the same effect as such a contract. The magistrate or the presiding judge of the *tribunale* must first attempt to bring the parties to a friendly agreement before proceeding to the consideration of the case.

<sup>19</sup> The royal decree of May 21, 1934, No. 1073, regulates individual labor controversies.

It should be noted that in the judicial proceedings of the individual labor controversies the worker must act alone unless his syndical association voluntarily accepts the task of assisting him. Moreover, the compulsory attempt at conciliation required of the syndical associations can have no great value for the worker, since, in view of the position of the workers' syndicates, their bargaining power in such matters can hardly be much greater than that of the individual worker. Only a settlement substantially less than the legal rights of the worker can be expected to prove acceptable to an employer who has deliberately withheld wages due, since the employer knows that his opponent in the litigation is anxious to avoid the expense and difficulties of a judicial proceeding.<sup>20</sup>

Further clarification may be drawn from the statements of the official interviewed regarding the actual status of the individual labor controversy as a means for enforcing the labor regulations. A prepared question dealt with individual labor controversies and read as follows: "It seems to me that most of the individual labor controversies are brought by workers already dismissed, although they often request a portion which they did not receive of their legal wages along with the indemnity for dismissal and for lack of notice. Why are there not more controversies brought by workers still employed?"<sup>21</sup> The official exclaimed immediately, "*Giustissima!* (Fair enough!)." He stated that all individual labor controversies were brought by dismissed workers.<sup>22</sup> It would be impossible in a time of such great unemployment, he said, for an employed worker to sue his employer since he would necessarily fear dismissal. This situation, he considered to be a necessary inequality be-

20 See L. A. Toparini, "Different syndical positions" in *Il Lavoro Fascista*, March 10, 1936. The article deals with the resistance of employers in the conciliation proceedings and lays special blame on the professional categories for want of collaboration in disputes with their office help.

21 Suggested by numerous reports in *Il Lavoro Fascista*.

22 This may not be literally true for all categories but it confirms the author's impressions derived from many reports of individual labor controversies in Italian newspapers.



tween employer and worker that could not at present be overcome. At any rate it was insoluble while there was a "surplus of workers."<sup>23</sup> We thus see that even the procedure of the individual labor controversy is not regarded seriously by the workers' syndicates as a means of enforcing the regulations of labor conditions.

Many individual labor controversies brought by dismissed workers result through judicial decrees or conciliatory settlements in the assessment of substantial damages against employers who have violated the collective contracts<sup>24</sup> but so long as the worker must condone contractual violations in order to keep his job, such suits by dismissed workers can have little effect as a means of enforcement. The impression remains that the application of the collective contracts, once agreed to, is left largely to the operation of the "corporative conscience" with which Fascist writings are much concerned.<sup>25</sup>

In most countries the question of wages and of other conditions of labor depends upon a contest between employers and workers carried on through bargaining and through whatever pressure either side may exert, a contest modified by such legal

<sup>23</sup> Some additional remarks of a speculative nature provoked by this question may be of interest. From notes of the interview: "If after the crisis labor should be scarce the system might be reversed to protect employers. Maximum instead of minimum wages in the contracts. Individual controversies brought by employers. Not impossible under the laws. But in the very distant future when we get a really corporative organization this situation will not be acute. In each firm instead of a boss there will be a council of administration representing capital, labor, and the technicians equally, with perhaps representatives of the State. Then the employee would not fear dismissal in case of a controversy. But that is a long way off. We must have confidence. (Nodding in the direction of Mussolini's picture.) We cannot know what he sees. A very just criticism but an insoluble difficulty now."

<sup>24</sup> Frequent notices in Italian newspapers, for example, *Il Lavoro Fascista*, October 17, 31, and November 10, 21, 1934.

<sup>25</sup> This corporative conscience may occasionally be implemented by expulsions from the Fascist Party, of which the author noted reports of a few which listed failure to conform to collective contracts among other charges against the person expelled.

provisions as may in one way or another affect the outcome, and according to the vicissitudes of the struggle a greater or a lesser share of the income of economic undertakings is paid in wages and salaries to the persons employed. A system in which both employer and worker would receive exactly his proper share and no more, the goal which Fascist theory seems to indicate,<sup>26</sup> does not appear to be a concept capable of any scientific definition.<sup>27</sup> Standards of "justice" in such a matter are essentially arbitrary. In the Italian Fascist system involving in practice legislation on labor conditions through the formally contractual activities of a political class of syndical officials and a largely unworkable system for enforcing those conditions, the bargaining power of the working population would seem to be almost completely eliminated.

In view of the technically political nature of the present study no attempt has been made to show by statistical or other methods the actual economic results of the operation of the Fascist syndical system. Certain attempts at an economic appraisal of Italian Fascism, however, tend to confirm the impression, to which a political and organizational study gives rise, of the inferior position of Italian labor under Fascism.<sup>28</sup> Indeed, Einzig in his clearly favorable presentation of Italian Fascism states, in connection with his discussion of the deflation of the lira and the subsequent beginning of the world depression: "In no other country was it so easy as in Italy to obtain the consent of the employees to a reduction of wages, in accordance with the fall in prices and with the depressed state of industries."<sup>29</sup>

26 See Declaration VI of the Charter of Labor regarding the "juridical equality" of employers' and workers' organizations.

27 But see a mathematical statement of the problem of labor arbitration in Pitigliani, *The Corporative State*, 1934, pp. 260-284.

28 See especially the study of real wages under Fascism in Rosenstock-Franck, *L'Économie Corporative*, 1934, pp. 155-162.

29 *Economic Foundations of Fascism*, London, 1933, p. 31. Similarly, p. 73: "Thanks to the establishment of industrial peace, wages in Italy are more elastic than in any other country."



**PART III**  
**THE CORPORATIVE INSTITUTIONS**





## CHAPTER VIII

### THE EARLIER CORPORATIVE INSTITUTIONS

MATTERS arising out of the employment relationship and regulated in Italy by the syndical authorities through contractual and litigious forms are regarded by the Fascists as properly "juridical relations." The term "economic relations" is reserved exclusively for the other relationships arising out of the national economy such, for example, as those between different firms, between wholesalers and retailers, or between producers of raw materials and producers of finished goods. The corporative phase of state activity, in Fascist terminology, unlike the syndical, deals with the so-called "economic" as well as with the "juridical" relationships. In the corporative field, moreover, employers and workers in a particular category are grouped together in a single organization, in contrast with the separate organization of the two factors of production in the syndical associations.

The principal corporative organizations are the National Council of Corporations, dealing with economic matters of general national concern, the Councils of Corporative Economy, set up in each province of the Kingdom, and the twenty-two "corporations" proper embracing throughout the nation such branches of production as "Glass and Ceramics," "Textile Products," or "Water, Gas, and Electricity."<sup>1</sup> A corporation, as the word is used in Fascist terminology, has been defined by the Charter of Labor in its sixth declaration:

The corporations constitute the unitary organization of production and represent completely its interests.

In view of this complete representation, the interests of production being national interests, the corporations are recognized by law as organs of the State.

<sup>1</sup> See chapters XII and XIII for concrete discussion of the corporations proper.

The Fascist corporation is not a corporation in the legal sense of the English word since it does not possess juridical personality nor does it own or directly manage the industrial, commercial, or agricultural concerns subject to its jurisdiction.<sup>2</sup>

Although defined as an organ of the state a Fascist corporation is considered to be a union of all the elements involved in a particular economic activity—employers, experts, and workers—together with representatives of the general interests of the nation and the consuming public. In practice the organization of a corporation consists solely of a council composed of representatives of the official employers' and workers' syndicates within its jurisdiction in equal numbers together with certain technicians or experts and three delegates of the Fascist Party. Such a council is vested with functions partly regulatory and partly consultative concerning the promotion and the coordination of production, the representation of the interests organized under it, the conciliation of collective labor disputes, and the regulation of those questions of labor relations also confided to the jurisdiction of the syndical organizations.

The term "corporation" was first used in Fascist practice in a somewhat different sense as the title of the "mixed syndicates" originally organized by Rossoni, syndicates which were designed to include both employers and workers.<sup>3</sup> The employers by insisting upon the retention of their separate organizations made impossible the development of the "mixed syndicates" and the title "corporation" was soon dropped by the organizations which were to become the governmentally recognized workers' syndicates. Corporations of the present type were first authorized by the basic syndical law of April 3, 1926, (No. 563) although the word corporation (*corporazione*) was not used in the law and first appeared legally in its present sense in the royal decree of July 1, 1926, (No. 1130) which

<sup>2</sup>The provincial Councils of Corporative Economy are definitely corporations in the English legal sense.

<sup>3</sup>See above, p. 63, text and note 6.

elaborated the provisions of the syndical law. Only one corporation<sup>4</sup> was actually set up under these provisions and only in November, 1934, after new legislation in February of that year,<sup>5</sup> was the "Corporative State" finally equipped with a full set of corporations. Some time before this development, however, institutions for less specialized fields designed to perform corporative functions had been set up. Of these the Provincial Councils of Corporative Economy and the National Council of Corporations require consideration.

The Provincial Councils of Corporative Economy according to the terms of the law governing their operation "represent in a unitary and integral manner the interests of the economic activities of their respective provinces, and assure and promote their coordination and development in harmony with the general interests of the nation."<sup>6</sup> The councils are recognized as public bodies having juridical personality and in cooperation with the provincial offices of corporative economy, with which they are closely linked, they perform a variety of administrative functions as agencies of the state. The prefect of each province acts as president of the Council of Corporative Economy in his province. The vice-president of the Council is appointed by the Minister of Corporations. Further governmental representation is provided through the *ex-officio* membership of six provincial officials: the corporative inspector, the agricultural inspector, the director of the agricultural *cattedra ambulante* (travelling lecture service), the commander of the

4 The Corporation of the Stage. See below, pp. 154-155.

5 The law of February 5, 1934 (No. 163). See below, p. 186.

6 Royal decree of September 20, 1934, No. 2011, "Approval of a single text of the laws on the provincial councils of corporative economy and on the provincial offices of corporative economy." By the royal decree-law of April 28, 1937, No. 523, these bodies were renamed "Provincial Councils of Corporations." At the same time the functions of retail price supervision formerly vested in special provincial and national committees of syndical and party officials were transferred to the presiding committees of the Councils and to the Central Corporative Committee. See *Il Lavoro Fascista*, May 2, 1937.

Forestry Militia, the head of the Civil Engineering Office, and the provincial veterinary. The remaining members of the Council are appointed by the prefect upon nominations made by the juridically recognized syndical organizations. The representatives of employers' organizations must be equal in number to those of the intellectual plus the manual workers.

Each Provincial Council of Corporative Economy is divided into separate sections for the principal branches of economic activity within its province. The sections of each council are defined by a decree of the Minister of Corporations. Each section has a president and a vice-president, both appointed by the Minister of Corporations, and among the presidents and vice-presidents of sections, one-half must be representatives of employers' organizations and one-half of workers' associations. The president and vice-president of the Council together with the presidents and vice-presidents of the sections constitute a presiding committee (*comitato di presidenza*). In addition there is provision for the establishment by decree of the Minister of Corporations of "special permanent committees" attached to the Council. The director of the Provincial Office of Corporative Economy is charged with the duties of secretary to the Council. The term of office of the councillors and officers, not serving *ex-officio*, is four years and reappointment is permitted. No salaries are paid to the members or officers of the Council by virtue of such office though the *ex-officio* members and officers are remunerated in other capacities.

As president of the Council the prefect has the right to call meetings of the full council or of the presiding committee and to determine the agenda for such meetings. The presiding committee is charged with the preparation of the budget and the financial report of the Council and in urgent matters may take actions normally within the competence of the full council or of a section, subject to ratification at the next meeting of the council or section. One-half of the members of this committee may require the president to call a meeting of the com-

mittee. The full council passes upon the budget and the financial report after they have been drawn up by the presiding committee and before their transmittal to the Ministry of Corporations for final approval. It passes upon the establishment of public economic institutions within the province and upon its own participation in such agencies and it "promotes initiatives, expresses opinions, and formulates views upon general questions submitted by the Ministry of Corporations, by other ministries, by its president, or by individual councillors." The full council is required to meet ordinarily twice a year and in extraordinary session when called by its president upon his own initiative or at the request of the Minister of Corporations or of one-half of the members of the Council.

The sections of the Council are charged with the consideration of matters submitted to them under permanent regulations or by direction of the president of the Council and with the conduct of investigations and inquiries as directed by the president of the Council. They may formulate proposals for the action of the full council or of the presiding committee. The convocation of a section requires the authorization of the president of the Council upon the proposal of the president or of one-half of the members of the section. Sessions of the sections, as of the permanent special committees, are closed to the public but those of the full council are public unless the president directs otherwise.

The promotion of "initiatives having the purpose of increasing production or improving economic and social conditions within the province" and the formulation of proposals relating to governmental action with regard to the province appear to be the chief functions of the Councils. The Councils also exercise powers of supervision over the government employment offices within their provinces, draw up the lists of expert councillors who assist the judges in collective and individual labor disputes, are charged with the maintenance of an official compilation of the business usages of each province for the



use of the courts of law, and in addition manage certain properties and revenues, with which they must provide for the support of the provincial Offices of Corporative Economy and of other services and institutions under their supervision. The revenues of the Councils consist of fees collected by the Offices of Corporative Economy and certain special taxes levied by royal decree, on the proposal of the Minister of Corporations, upon the business of the provinces.

Though associated with the Councils the Provincial Offices of Corporative Economy are branches of the Ministry of Corporations. They are charged with the collection of information relating to the economic and social development of their respective provinces, with the preparation of materials for the sessions of the Councils of Corporative Economy, and with the maintenance of a register of firms doing business within the province. All persons or organizations doing business of any sort are required to register with the Office in their province.

Under the supervision of the Provincial Councils of Corporative Economy government employment exchanges have been established with a complete legal monopoly in all fields for which they have been set up over the furnishing of workers both for private employment and, in the case of manual workers, for employment by governmental bodies as well with the exception of those agencies directly dependent upon the central government.<sup>7</sup> The exchanges are subject to the general supervision of the Ministry of Corporations but come more directly under the authority of the Sections of Labor and Social Foresight of the Provincial Councils of Corporative Economy. Each labor exchange is in the charge of an administrative commission composed of representatives of the employers' and workers' syndicates concerned and presided over by the federal

<sup>7</sup> The employment exchanges are organized under the royal decree of March 29, 1928, No. 1003, amended by the royal decree of December 9, 1929, No. 2333.

secretary of the Fascist Party for the province in which the exchange is located. The actual administrators of the exchange are appointed and removed by the administrative commission and are selected from the officials of the labor syndicates. According to law "Mediation, even though free, on the part of individuals, associations, or bodies of any kind for the placement of unemployed workers is forbidden with respect to those categories of employers or workers for which offices [Labor Exchanges] have been established . . . and in the territorial competence of said offices." Employers must engage unemployed workers through the government exchanges and workers may take employment only through the exchanges. Fines are imposed upon employers who engage workers in any other way and upon workers who accept employment not secured through the exchanges. Fines are also provided for the failure of an employer to notify the exchange of any dismissals or for the failure of a worker to report his becoming unemployed to the exchange.

To the employer desiring to hire new workers the law grants a "power of choice" from among the workers listed at the exchange, but provision is made that preference be given to members of the Fascist Party, members of the official syndical organizations, and war veterans. It appears, however, that the provisions regarding preference have no binding force. "According to prevailing legal theory, it is held that the power of choice from the lists of unemployed persons, registered at the Labor Office, should be considered a right, the exercise of which constitutes an action permissible under the law; that the legal rule relating to the preference to be given in engaging staff to members of the National Fascist Party, etc., does not constitute any form of compulsory obligation but rather a moral duty, of which the non-observance, seeing that no penalty of any kind is attached, cannot be considered as in any sense a criminal offense. . . ." <sup>8</sup>

<sup>8</sup> Ministry of Corporations, *News Notes of the Fascist Corporations*, May, 1936 (Year 8, No. 5), p. 5.

The National Council of Corporations has assumed an importance somewhat greater than would be justified by its actual performance on account of the anticipation that it would eventually succeed to the legislative powers of the Chamber of Deputies. Mussolini in speaking before the Council in November, 1933, referred somewhat tentatively to this possibility in the following words:

It is perfectly conceivable that a National Council of Corporations may replace *in toto* the present Chamber of Deputies. The Chamber of Deputies has never pleased me. Henceforth this Chamber of Deputies is basically anachronistic even in its very title: it is an institution which we found and which is extraneous to our mentality and to our passion as Fascists. The Chamber presupposes a world which we have demolished: it presupposes a plurality of parties and the frequent and wilful attack upon diligence. From the day on which we abolished that plurality the Chamber of Deputies lost the essential motive for which it arose.<sup>9</sup>

The Italian Chamber of Deputies is, indeed, a superfluous arm in the Fascist governmental processes and its retention until 1937 suggests a certain inertia in the progress of Fascist political innovations. Though the body actually to be substituted for the Chamber appears to be one somewhat differently constituted from the National Council of Corporations<sup>10</sup> and though the National Council itself, except for one of its organs, the Central Corporative Committee, appears to have ceased to function with the establishment of the individual corporations in November, 1934, the organization and past functioning of the Council require some consideration.

In April, 1930, after the Fascist syndical system had been in fairly widespread operation for four years under the syndical law of 1926 but before the Fascist corporations had been organized, the National Council of Corporations was inaugu-

<sup>9</sup> *Codice Corporativo* (vol. 1), Rome (Angelo Signorelli), 1934, p. 18.

<sup>10</sup> See below, p. 193.

rated as a representative economic body.<sup>11</sup> The Council was empowered to act through various "organs" similar to those of the Provincial Councils of Corporative Economy and these were enumerated as follows: the general assembly of the Council, the sections and subsections, special permanent commissions, and the executive committee, known as the Central Corporative Committee. The Head of the Government was *ex-officio* president of the Council, of the Central Corporative Committee, and of the sections and subsections but might delegate this function to other officials. A permanent official of the Ministry of Corporations acted as secretary of the Council.

As established by law in 1930 the sections of the National Council of Corporations were concerned respectively with the following activities, corresponding to the syndical confederations then existing: the professions and arts in two subsections; industry and artisanship in two subsections; agriculture; commerce; sea and air transportation in two subsections; land transportation and internal navigation; and banks. This arrangement was outmoded by the syndical reorganization and the establishment of individual corporations in 1934, and the law on the corporations of February 5, 1936 (No. 163) authorized the Council of Ministers acting by royal decree to alter the composition of the National Council of Corporations in order to bring it into line with the new syndical and corporative arrangements. No action has been taken under this provision to alter the composition of the sections or of the general assembly of the Council and with the establishment of the

<sup>11</sup> The law of March 30, 1930 (No. 206) and the royal decree of May 12, 1930 (No. 908) provided for the establishment of the present council. As an advisory body attached to the Ministry of Corporations and composed of *ex-officio* and governmentally appointed members, the Council was first organized when the Ministry of Corporations was set up by the royal decree of July 2, 1926 (No. 1131) but it did not function until its reorganization in 1930. See Rosenstock-Franck, *L'Économie Corporative* (1934), p. 300.

corporations these bodies apparently ceased to function. In general the sections and subsections were authorized to exercise the functions of the Council upon matters within their respective jurisdictions. Special joint meetings of more than one section or subsection were to be held to consider matters which involved the jurisdictions of several of these bodies. Matters affecting the whole syndical and corporative arrangements and certain matters specially enumerated required consideration by the general assembly of the Council.

Under the 1930 legislation the sections and subsections were composed chiefly of representatives of the official syndical confederations of employers and workers for their respective fields in equal numbers. The Subsection of Professions was, however, composed entirely of representatives of one confederation, that of Professions and Arts. The Confederation of Industry (employers) besides participating in the Subsection of Industry was also represented in the Subsection of Arts. Most of the sections included representatives of the National Organization of Cooperatives (*Ente Nazionale della Cooperazione*). The syndical representatives were "nominated (*designati*)" by the principal deliberative body of their confederation "or by whom-ever under the by-laws legitimately exercises its powers." Membership in the Council followed only upon confirmation by royal decree, proposed by the Head of the Government, and might be withdrawn at any time by the same means. The term of office of members of the Council, other than those serving *ex-officio*, was three years but reappointment was permitted. The legal qualifications for membership in the Council were the same as those for members of the Chamber of Deputies, that is, Italian citizenship, the age of at least twenty-five years, and the possession of civil and political rights.

The general assembly of the National Council of Corporations was composed of the various syndical representatives who were members of the sections (except for a part of those representing professional persons in the Subsection of Profes-



sions), the president and two other representatives of the National Organization of Cooperatives, two governmentally appointed representatives of Italian economic interests abroad, three representatives of the associations of public officials, chosen by the Secretary of the Fascist Party, "ten persons specially competent in questions of syndical organization, corporative law and economics, and other technico-juridical fields relating to production, chosen by the Minister of Corporations," and various members *ex-officio*. The officials whose positions carried with them the right to membership in the general assembly of the Council included the Ministers of Corporations, of the Interior, of Agriculture and Forests, of Justice, of Public Works, and of Communications; the under-secretary of state and the "directors-general" in the Ministry of Corporations; the Secretary and the Vice-Secretaries of the Fascist Party; the Commissioner for Tourist Industries; and the presidents of the *Opera Nazionale per la Protezione della Maternità e dell'Infanzia*, the *Opera Nazionale Dopolavoro*, the *Patronato Nazionale per l'Assistenza Sociale*, the *Associazione Mutilati e Invalidi di Guerra* (Association of Disabled Veterans), and the *Associazione Nazionale dei Combattenti* (National Veterans Association). The total membership was about 150.

In view of the greater political functions devolving upon a body succeeding to the functions of the Chamber of Deputies some increase in the strictly political element in the membership of the Council was in 1934 generally anticipated. It was then announced semi-officially<sup>12</sup> that the number of members would be increased to about 300 with the addition of further representatives of political, administrative, and cultural activities. Rumor was current at the time to the effect that the secretaries of the provincial divisions (federations) of the Fascist Party would become members of the enlarged Council. In 1936, however, Mussolini forecast the establishment of a new body

<sup>12</sup> *Il Lavoro Fascista*, November 10, 1934.

replacing the Chamber of Deputies. The new chamber would be closer in form to the existing informal body known as the National Assembly of the Corporations, a united meeting of the councils of all the corporations held at irregular intervals to hear an address of the Duce, than to the National Council of Corporations, but the expectation that additional officials of the Fascist Party would participate as members in the new legislative assembly was confirmed by the title which Mussolini ascribed to it, "The Chamber of *Fasci* and Corporations."<sup>13</sup> The retention of the National Council of Corporations alongside the somewhat similar new legislative chamber would seem unlikely.

In the procedure of the National Council of Corporations the powers of the president (the Head of the Government or his deputy) were materially greater than in an ordinary democratic assembly. Under the provisions of the law of 1930 he "convoques the various organs of the Council and directs their work;" "fixes the list of questions to be treated at each meeting of the organs of the Council;" and "maintains order, enforces the rules, grants the right to speak, puts questions to vote, and provides for the good ordering of the work." Though the law stated that meetings of the general assembly of the Council were to be held "normally twice a year in ordinary session" and in extraordinary session when the president so determined, meetings of this frequency have not actually occurred. A provision, which, it appears, was never invoked, required that the general assembly be summoned at the request of one-third of its members. A meeting might also be required by decision of the Central Corporative Committee. A section or subsection was to meet whenever the president saw fit to convoke it or upon the written request of one-half of its members. Sessions of the general assembly were to be public and those of the sections and subsections private unless the president

<sup>13</sup> *Il Lavoro Fascista*, March 24, 1936. See below p. 146 for so-called "National Assembly of the Corporations."

in either case directed the contrary. The proceedings of either the general assembly or of the sections or subsections were to be kept secret by the members whenever the public was not admitted to the deliberations.

The dominant position of the chair was further fortified by the rules of procedure<sup>14</sup> adopted by the Council itself. According to these rules questions had to be discussed in the order fixed in the list sent to members in advance of the meeting unless the president decided to vary the order of discussion. The president might postpone or might refer to other organs of the Council any questions under discussion (except those submitted in the written request of one-third of the members requiring the calling of a meeting). No document or petition could be submitted to the Council except through the president and he had the right to decide upon the "suitability" of transmitting such communications in whole or in part to the members of the Council. "The discussions are directed by the president, who opens the registers of persons who are to speak on particular questions and grants and withdraws the right to speak," the rules stated.

Another important power of the chair was that of determining the method of voting on particular questions. This power had two aspects, one affecting substantially the voting power of different groups and the other relating to the mechanics of counting the votes. On the substantial side, the president had power to determine whether the votes were to be counted 1. individually, 2. by sections and certain other groups, or 3. by the representatives of employers and workers separately. In the second and third methods a vote equal to the legal membership of each voting group was cast as the majority within the group determined. The votes of members of the general assembly who were neither members of sections nor representatives of

<sup>14</sup> Text promulgated by decree of Head of the Government, October 1, 1932, in *Bollettino Parlamentare*, December, 1932, pp. 133-143 and in *Istituto Nazionale Fascista di Cultura, Legislazione e Ordinamento Corporativo*, Rome, 1934, pp. 277-284.

syndical organizations were in any case to be given individually. Questions relating to labor relations were excluded from decision by the second voting method. On the mechanical side the president had the choice of taking the votes 1. by a show of hands, 2. by roll call, 3. by division, and 4. by secret ballot. Any member of the Council was permitted to present motions or amendments relative to the formulation of rules or to the ratification of agreements under the rule-making powers of the Council but the president had the sole authority to submit such proposals to discussion and vote.

Functions mainly of a consultative nature were assigned by law to the National Council of Corporations. The long list of matters on which the advice of the Council might be taken by the government need not be recounted here. On two matters, however, consultation of the general assembly of the Council was obligatory, namely, 1. the recognition of syndical associations by the government or the withdrawal of such recognition and 2. appeals to the Ministry of Corporations against the refusal of a syndical confederation to admit a subordinate syndical organization into its membership. Until the new law on the corporations of February 5, 1934 (No. 163) consultation of the general assembly of the Council was necessary before the establishment of a corporation but this right was then transferred to the Central Corporative Committee.

Besides its consultative functions the Council had power to enact rules 1. coordinating the activities of assistance carried on by the recognized syndical associations; 2. coordinating the regulations respecting labor relations contained in the collective labor contracts and equivalent regulations; 3. regulating "economic relations"<sup>15</sup> among various productive groups. Prior authorization of the Head of the Government was required in each instance in which the Council exercised its rule-making powers under the first and second heads and prior authorization of all syndical associations interested "with the consent

<sup>15</sup> See above, p. 137.

of the Head of the Government" in each instance under the third head. The Council might exercise its rule-making power either by formulating regulations itself or by ratifying agreements concluded by the interested syndical associations and submitted to it. Such agreements, generally made among two or more syndical associations of employers and concerning "economic" rather than "juridical" (*i. e.*, labor) relations, are known as "collective economic agreements." It was through the ratification of such an agreement that the single instance of the exercise by the Council of its rule-making authority occurred. A final restriction imposed upon the Council by law made the legal promulgation necessary to the validity of the rules adopted by the Council subject to veto by the Head of the Government.

The Central Corporative Committee is composed of the Ministers of Corporations, of the Interior, of Justice, of Finance, of National Education, of Public Works, of Agriculture and Forests, and of Communications; the Secretary of the Fascist Party; the undersecretaries of state in the Ministry of Corporations; any other ministers or undersecretaries of state serving as presidents of corporations; the vice-secretaries and the administrative secretary of the Fascist Party; the vice-presidents of the corporations; the presidents of the syndical confederations of employers and workers; the president of the National Organization of Cooperatives; and the secretary-general of the National Council of Corporations.<sup>16</sup> The powers of the Committee, limited under the legislation of 1930 to acting for the general assembly of the National Council of Corporations in urgent matters, were extended by decree-law on April 18, 1935,<sup>17</sup> so as to permit the committee to exercise any func-

<sup>16</sup> Royal decree, December 27, 1934, No. 2101, based upon the authority granted to the government by the law on the corporations (February 5, 1934, No. 163) to modify the composition of the organs of the National Council of Corporations.

<sup>17</sup> Royal decree-law, April 18, 1935, No. 441, ratified by law, September 12, 1935, No. 1745.



tion vested in any other organ of the Council, including the right of the general assembly of the Council under the law on the corporations to pass upon all decisions made by the individual corporations. The law on the corporations had already transferred to the Committee from the general assembly of the Council the right to be consulted before the establishment of any corporation.

During the period from April 21, 1930, when the National Council of Corporations was formally inaugurated until the establishment of the twenty-two corporations in November, 1934, if the so-called Corporation of the Stage<sup>18</sup> be left out of consideration, the Council was the only important "corporative" organization operating throughout Italy. During that time the general assembly of the Council met in five sessions (exclusive of the opening meeting), those of October 30, 1930, December, 1931, June, 1932, November, 1932, through January, 1933, and September through November, 1933. No meetings of the general assembly have since been held, but informal meetings of the National Assembly of the Corporations, composed of all the members of the councils of the individual corporations, met on November 10, 1934, and on March 23, 1936, to hear addresses by Mussolini. An indication of a lack of substantial importance in the transactions of the National Council of Corporations may be gathered from the fact that an important official of the Ministry of Corporations, consulted in the autumn of 1934, insisted upon a date in April of that year as that of the last meeting of the general assembly of the Council until prevailed upon to verify the correct date (November 14, 1933) by telephoning to the secretariat of the Council.

Fifteen questions occupied the five sessions held by the general assembly of the Council.<sup>19</sup> The stenographic record of

<sup>18</sup> See below, p. 134.

<sup>19</sup> Rosenstock-Franck, *L'Économie Corporative* (1934), pp. 312-325 for the first four sessions. See below, Ch. X, where the last session, at

proceedings of the Council is not available to the public but the procedure appears customarily to have involved a series of speeches expressing the viewpoints of different groups, followed by an address by Mussolini in his capacity as president in the nature both of a summary and of a conclusion. The conclusion formulated by the Duce appears always to have been accepted by acclamation. Two of the matters considered by the Council were among those upon which its advice was required by law. These were some rearrangements of the recognized syndicates and the establishment of a Corporation of the Stage, both considered in the session of October, 1930. The other matters were also, with one exception, considered under the advisory function of the Council. The only exercise of rule-making authority occurred in the session of December, 1931, when a collective economic agreement relating to the sale of milk by farmers to dealers in the city of Rome was formally ratified by the Council.

Although the official activities of the sections of the National Council of Corporations did not extend beyond the giving of advice an official of the Ministry of Corporations stated that "understandings," presumably of the type usual among business interests inclined to combination, often resulted from the meeting of the sections. No enforceable rules were adopted by the sections.

which the manner of establishing the new corporations was considered, is discussed.

## CHAPTER IX

### PLANNING THE CORPORATIONS

THE single precursor of the corporations ultimately established in November, 1934, the Corporation of the Stage (*Corporazione dello Spettacolo*), was, as Rosenstock-Franck<sup>1</sup> points out, a special case and without great economic influence. This organization was established by a decree of the Minister of Corporations dated December 6, 1930,<sup>2</sup> and was empowered to issue general rules on labor conditions within its field after prior approval of the official syndical organizations for both employers and workers, a procedure hardly distinguishable from the ordinary formation of collective labor contracts. It was also authorized to "promote, encourage, and aid all attempts to coordinate and better organize" the industries under its jurisdiction and was vested with various research and consultative functions. The organ through which the Corporation operated, its council, was composed of representatives nominated by the syndical organizations concerned and approved by the government and of various *ex-officio* members representing the government and the *Dopolavoro* organization.

That this Corporation, as a "trial-balloon," was of doubtful success is indicated by the attitude of an official of the Ministry of Corporations who dismissed an inquiry about it with little more than a shrug of the shoulders. Pitigliani<sup>3</sup> states that the Corporation was vested with "indirect responsibilities" such as those for dealing with the conditions prevailing in the theatre and motion-picture industries "either by arranging agreements between employers or by obtaining various forms of governmental assistance in the most important cases." The Corporation encouraged the formation of the Consortium of the Operatic Stage whose functions of serving as a joint

1 *L'Économie Corporative*, 1934, p. 312, note 1.

2 Istituto Nazionale Fascista di Coltura, *Legislazione e Ordinamento Sindacale Corporativo*, Rome, 1934, pp. 289-293.

3 *The Italian Corporative State*, New York, 1934, pp. 110-114.

employment agency and of "coordinating performances and administration" for the various opera companies were upon its early dissolution in October, 1932, taken over by the government employment offices and by the official employers' syndicates respectively. The Corporation also appears to have secured from the government reductions of railway fares for theatrical companies and a system of prizes for producers of artistically and financially successful Italian films.<sup>4</sup>

Decrees of the Head of the Government issued in the summer of 1934 established the twenty-two corporations now existing. The legislative authorization for these decrees was provided in the law on the corporations of February 5, 1934 (No. 163). Already, as has been shown, corporations were authorized under the syndical legislation of 1926. Such corporations, of which the Corporation of the Stage was the only example, were authorized to make collective regulations of labor conditions in the concerns subject to their jurisdictions, but only after prior authorization of the syndicates of employers and workers concerned. They were also to exercise the function of conciliation in collective labor disputes, to "promote, encourage, and aid" the coordination and improvement of production, to establish employment agencies, and to issue regulations governing apprenticeship. Such corporations were to be established by decree of the Minister of Corporations after consultation of the general assembly of the National Council of Corporations. The new law of 1934 under which the present corporations were organized somewhat modified these provisions and added some functions to the then non-existent corporations.

In its public phases the elaboration of the law on the corporations began with a consideration of the problems involved by the existing corporative organs. The impending organization of corporations provided the chief item on the agenda of the

<sup>4</sup> *Sindacato e Corporazione*, v. 61, pp. 739-752, contains an official report on the activities of the Corporation of the Stage in the period when it was the only existing corporation.

National Council of Corporations at its session of November 8 to 14, 1933.<sup>5</sup> Before the meeting of the general assembly of the Council the separate sections discussed the manner in which corporations were to be established. In most cases resolutions were formally adopted by the sections but in the Commercial Section the employers' and workers' delegations insisted on different texts. The views expressed by the sections were embodied in a report submitted to the general assembly of the National Council by the Central Corporative Committee. The report of the Committee dealt chiefly with the questions: what form should the corporations take, for what fields should they be organized, and with what powers should they be vested.

In the report it was noted that the Ministry of Corporations was of the opinion that the corporations should be set up gradually rather than all at once and the Committee recommended that they be organized in close relation with the existing sections of the National Council of Corporations and that no administrative services be provided for the individual corporations other than those of the existing secretariat of the National Council, a part of the staff of the Ministry of Corporations. The Committee also expressed the opinion that the powers already vested by law in the corporations should not be extended. On the latter point, however, the Committee noted some disagreement among the sections consulted.

Some of the sections had discussed the relationship between the new corporations and the existing organs of the Corporative State. The Industrial Section urged that the corporations should become integral parts of the National Council of Corporations as its specialized organs. While the Section of Sea and Air Transportation suggested that special fields of action should be defined for the corporations and for the sections of the National Council, the labor delegation in the Section of

<sup>5</sup> *Ministero delle Corporazioni, Istituzione delle Corporazioni; relazioni, discussioni, voti, e discorso di S. E. il Capo del Governo al Consiglio Nazionale delle Corporazioni*, Rome, 1934.



Internal Transportation maintained that the sections should be abolished and the corporations substituted for them. The employers' delegation in the Commercial Section wished to have all rules made by the corporations subject to ratification by the National Council. The Industrial Section made the similar proposal that the Council should "coordinate" the work of the corporations. With regard to the relations between the new corporations and the old syndical structure the Industrial Section, supported by similar resolutions of the employers in the Commercial Section and of the Internal Transportation Section, declared that the completion of the corporative organization "far from meaning less efficiency in the syndical organizations, is reason for strengthening it."

How the councils of the various corporations should be composed was the next question considered in the report. Various sections expressed the view that occupational categories should be represented in proportion to the body of interests which each constituted in the branch of production for which the corporation was to be instituted. An equal representation for employers and workers was generally insisted upon. Some sections maintained that industrial, agricultural, and commercial units, if represented in one corporation, should be represented by an equal number of delegates. The Committee pointed out that this proposal was an improper interpretation of the Fascist principle of equality of representation (*pariteticità*), which properly applied only to the relationship between employers and workers. The Agricultural Section, the Sea and Air Transportation Section, the workers' delegates in the Internal Transportation Section, the workers' delegates in the Commercial Section, and the Professions and Arts Section all sponsored resolutions calling in general terms for representation upon a proportional basis with regard to the "weight" or "effective participation in production" of the groups concerned. No formula was given for the translation of the relative importance of various categories into numerical terms as a

basis for the apportioning of delegates. The employers' delegates in the Internal Transportation Section and in the Commercial Section sponsored the principle of equal representation of all interests concerned.

Two methods of establishing the jurisdictional fields of the new corporations were considered. The first involved the establishment of corporations on the basis of simple occupational categories as in the case of the syndical associations. The other method was the "productive cycle" which would include under one corporation all activities, whether agricultural, industrial, or commercial, involved in the production, processing and distribution of a particular product or group of products. The Agricultural Section and the Commercial Section favored corporations based on products. The other sections either explicitly favored the occupational category basis or tacitly assumed it in their recommendations as to specific corporations.

Lists of fields in which they considered corporations desirable were submitted by the various sections. The Industrial Section proposed the following: 1. artisanship, 2. clothing, 3. water, gas and electricity, 4. chemicals and glass, 5. extractive industries, 6. construction, 7. metallurgical industry, 8. fish, 9. printing and paper, 10. textiles, and 11. food. The Agricultural Section proposed one general corporation for agriculture and specialized corporations for the following lines: 1. hemp and flax, 2. sugar beets, 3. rice, 4. animal husbandry, 5. silk, 6. herbs, 7. garden and orchard products, 8. wine, and 9. oils. The employers' delegates in the Commercial Section were unwilling that the question of corporation jurisdictions should be decided once and for all. They urged that the structure should be developed gradually but suggested 19 possible corporations: 1. cereals and bread, 2. rice, 3. oil, 4. wine, 5. sugar, 6. herbs, 7. metal products, 8. electricity, 9. hemp, 10. silk, 11. cotton, 12. wool, 13. milk and cheese products, 14. fresh and preserved meats, 15. fish, 16. clothing and accessories, 17. tourist industries, 18. sea transportation, and 19. land trans-

portation. The workers' delegates in the Commercial Section insisted upon a general resolution favoring corporations for the "fundamental productive branches of Italian economy." The Sea and Air Transportation Section favored separate corporations for three branches within its jurisdiction, i. e., 1. passenger shipping, 2. freight shipping, with special representation of the sailing ship category, and 3. aerial transportation. The Committee pointed out that the Ministry of Corporations was of the opinion that one corporation would suffice for maritime transportation and would be able to provide a desirable unity of policy. The employers' delegates in the Internal Transportation Section favored four corporations: 1. internal transportation, 2. electrical communications, 3. express services, and 4. tourist industry. The workers' delegates in this section also sponsored these corporations but expressed the view that they should all be subordinated to one more general corporation dealing with the general field of internal transportation. The Credit and Insurance Section favored separate corporations for credit and for insurance and reserved the question of the desirability of a special corporation for the private tax collecting agencies. The Committee stated that the Ministry of Corporations was not opposed to having two corporations in the credit and insurance field. The Professions and Arts Section favored one corporation for its field to be divided into sections for the technical, legal, sanitary, and artistic categories with possibly other sections for the periodical press, books, building construction, mining, metallurgy, railroads and tramways, and clothing accessories.

With regard to the question of the powers to be granted to the new corporations the Committee pointed out that the powers granted to corporations by the laws then in force were the following: 1. to make rules upon the subject of labor relations with the prior consent of the syndical associations concerned, 2. to attempt the conciliation of collective labor controversies, 3. to propose to the National Council of Corporations the issu-

ance of rules upon the so-called "economic" relations of production, and 4. to express opinions upon questions submitted by governmental agencies.

Some of the sections did not comment upon the first of these powers but the Industrial Section and the employers' delegates in the Commercial Section were specifically in favor of retaining the present rule requiring prior consent of the syndical associations concerned while the Sea and Air Transportation Section, the Credit and Insurance Section and the employers' delegates in the Internal Transportation Section favored a more specific definition of this rule-making power and the reserving of this function either to the existing sections of the National Council or to "general" corporations for broad fields rather than to the more specialized corporations. The Committee pointed out that this field of regulation was normally covered by collective contracts or by legislation and clearly indicated the futility of the existing authorization for action by the corporations in regard to labor relations under the required conditions: 1. that no contract had made the requisite provisions, and 2. that the corporation and the associations concerned must be in agreement.

Evidently it is difficult for these two conditions to occur. In fact if the contract does not make provision, it is because the associations are not in agreement and if they are in agreement they make the contract and do not have recourse to the corporation.

In general the sections favored the retention of the conciliatory function of the corporations in regard to collective labor disputes. The Sea and Air Transportation Section recommended that this function be restricted to "general" corporations similar to the existing sections of the National Council. With regard to the rule-making power relating to "economic" relations the majority of sections favored conferring this power directly upon the corporations rather than the National Council alone and the Agricultural Section proposed that the exercise of this power should not require authorization by the associa-

tions concerned. With regard to the advisory function of the corporations the Agricultural Section and the Internal Transportation Section urged that consultation of the corporations by governmental agencies should be made obligatory upon certain specific questions and the Industrial Section proposed "that the corporations be the organs of consultation and study to which the state must always have recourse."

The conferring of full legislative power in economic and social matters upon the National Council of Corporations was favored by the Industrial Section and the Profession and Arts Section. The committee commented that this proposal did not meet adequately the complex questions involved in a general constitutional reform, pointed out that the legislative power was by nature unique, and maintained that it would be difficult to fit a new legislative organ into the existing constitutional system. The Agricultural Section proposed that a study should be made of the administrative powers of existing agencies relating to obligatory and voluntary consortiums, the control of the expansion of industrial establishments, and the regulation of foreign commerce with a view to the transfer of these functions to the corporations. The Committee declared that in some respects this proposal would be impractical especially in that it involved a danger to the principle of administrative hierarchy.

The report concluded:

The picture we proposed to draw is now finished. The problem of the establishment of the corporations has been slowly maturing through a process of gradual clarification to which the discussion within this Assembly will bring a new and precious contribution.

But now the moment of realizations is at hand. The Duce has already announced to the country and to the world his intentions. "From the beginning of the year XII [1933-1934]," he said in his recent message to the Black Shirts, "the Revolution will make a step forward creating new institutions for the discipline of the forces of economy and to adapt them to the necessities of the Nation."



## CHAPTER X

### DEBATE IN THE NATIONAL COUNCIL OF CORPORATIONS

DISCUSSIONS in the general assembly of the National Council of Corporations on the establishment of the corporations took place on the 8, 9, 13 and 14 of November, 1933. Mussolini, as Head of the Government, presided over the sessions. In opening the discussion on the corporations he formulated the matter under debate in three questions: 1. What ought the corporations to do? 2. How many ought there to be? 3. How ought they to be constituted? He then gave the floor successively to twenty-nine speakers. No resolution or definite proposal was officially placed before the Council until the discussion was finished. The basis for discussion was the report of the Central Corporative Committee already described. In the form in which it appears,<sup>1</sup> the record gives evidence of editing since references of some speakers to the remarks of their predecessors are difficult to trace. A résumé will, however, indicate the general ideas current at the time regarding the new corporations.

The first speaker recognized by the chair was Clavenzani, president of the syndical confederation of industrial workers, an accountant by profession, a member of the Chamber of Deputies and of the Grand Council. He participated in the World War, joined the Fascist Party in 1923 and since 1924 had held various posts in Fascist syndical organizations.<sup>2</sup> Clavenzani was opposed to the establishment of all corporations on the productive cycle basis. For many fields he regarded the occupational category as more suitable. When the productive cycle basis was used no attempt should be made to represent sep-

<sup>1</sup> See note 5, p. 156.

<sup>2</sup> The biographical data for the speakers, unless other acknowledgment is made, is drawn from Edoardo Savino, *La Nazione Operante*, Milan, 1934.

arately all minor interests involved, since this would mean too large a body of representatives. To provide for the coordination of the activities of the corporations he would retain the sections of the National Council, modified through the introduction of representatives of the various subordinate corporations. He would eliminate the requirement of previous consent of the syndical associations concerned for the rule-making activities of the corporations in the matter of labor and "economic" relations. He would oppose any transfer of the functions of the syndical confederations to the new corporations but favored the granting of legislative power in economic and social matters to the National Council of Corporations.

Racheli, the next speaker, secretary general of the syndical confederation of commercial employers and a member of the Chamber of Deputies, had been a syndicalist of nationalist views before the War and participated in the campaign for Italian intervention. He had served as a lieutenant in a machine-gun company, and after the War was active in anti-Bolshevist activities as a syndical organizer. Racheli declared that the function of the corporations should be to regulate the relation between production and commerce. This, he considered, could be done under the Fascist State, since the latter was not one of category or class but was totalitarian and had already been successful in the regulation of the relations between capital and labor. The cause of the world economic crisis was a disproportion between production and consumption and this arose through an incapacity of states in general to regulate commercial relations. The corporations should be organized entirely on a productive cycle rather than on a category basis in order that they should have control of this relationship between production and commerce. Corporations should be set up gradually, first in fields in which the relationship between production and consumption had already been subject to some experimentation. Agriculture was the most suitable field for a beginning and was also the field in which in certain respects regulation was most urgent.

Consoli,<sup>3</sup> speaking in exposition of the resolution adopted by the Credit and Insurance Section, emphasized especially that the syndicates remained vitally necessary after the establishment of the corporations since the syndicates were the basic cells of the corporative structure.

Pala, president of the syndical confederation of employers in sea and air transportation and member of the Chamber of Deputies, was active in the nationalist and interventionist movements before the World War, served as an officer during the War, founded one of the early *fasci* in 1920, and since then had held various offices in the Fascist Party and syndical structures. His biographical sketch in *La Nazione Operante* contains the following characterization:

Authentic proletarian, being the son of a workman on the Sardinian railways, he represents the new aristocracy of the hand and the brain, arisen through the hardest sacrifices and the merit of their work to the highest grades of the social hierarchy.

This is almost the only indication of working class origin encountered in the biographies of the leading Fascists.<sup>4</sup> Pala declared that his organization prized highly the Fascist corporative idea. Through the peculiar nature of their economic activities they had occasion to observe what was being done in foreign countries and could consider as privileged their position in Italy. The corporations, whether constituted by productive cycle or by occupational category, ought to be principally consultative organs for the executive power since otherwise there might be a danger of introducing confusion in the legislative field through the existence of too many organs having legislative power. He would have rule-making authority conferred upon the corporations only case by case by action of the Head of the Government but without the requirement of previous initiative on the part of the syndical

<sup>3</sup> Biographical data lacking.

<sup>4</sup> See above, p. 94.

associations concerned. Corporations of passenger traffic, freight traffic, and aerial traffic ought to be established as organs of study for the questions affecting sea and air transportation.

The next speaker, Ciardi, president of the syndical confederation of workers in internal transportation, and member of the Chamber of Deputies and of the Grand Council, was formerly employed in the service of the State Railways, had held many posts in Fascist syndical organizations, and had been a delegate to the International Labor Conferences. Ciardi declared that, contrary to the opinion of many, the syndicates would receive a new incentive through the new development of corporativism since the corporation was unthinkable without the syndicates. The corporations must discipline the factors of the national economy and must reduce competition within the country. Labor should have a part in the fixing of prices and also in determining costs of production. He did not believe in the practical possibility of the proprietary corporations which had been proposed. (Such corporations would have taken over completely the ownership and operation of the industries subject to them.) He could not see how the various existing consortiums, cooperatives, and commercial companies could be fitted into such new organizations.

DeMarsanich, president of the syndical confederation of commercial workers, next took the floor. He had been a Fascist since 1920, having participated in the World War, had held various party offices from 1922 to 1929, and in 1929 and 1930 was director of *Il Lavoro Fascista*. He has since held the office of vice-president of the Building Construction Corporation<sup>5</sup> until January, 1935, and then became an undersecretary in the Ministry of Communications.<sup>6</sup> DeMarsanich pointed out that the corporations had become possible because the first phase of corporative economy, embodied in the collective labor con-

<sup>5</sup> *Il Messaggero*, Rome, November 9, 1934.

<sup>6</sup> *Il Popolo d'Italia*, Milan, January 27, 1935.

tracts, had already been attained. He favored the use of productive cycle corporations with reference to agricultural products but held that in industry the lines of product and of occupational category were sufficiently close to justify the establishment of corporations on a category basis. In regard to commercial activities he favored the category corporations for self-contained commercial fields and a sort of productive cycle arrangement for those commercial activities distinctly subsidiary to agricultural or industrial activities, that is, for the latter purposes he would favor a "proportional" representation of commercial elements in industrial or agricultural corporations. He also favored one corporation for professional and artistic activities but with representation of such persons also as experts in all the other corporations. The corporation, he declared, was a new organ, destined to supersede the economy of supercapitalism, for, while private initiative had given good results in agriculture, as much could not be said for its role in industry.

Panunzio, the next speaker, a member of the Chamber of Deputies and Professor of the Doctrine of the State at the University of Rome, was also an early Fascist, having founded one of the first *fasci* in 1919, and since then had occupied various party, syndical, and governmental offices until his appointment in 1927 to the chair he then held. Panunzio stressed the importance of the juridical questions involved in the establishment of the corporations. All types of economies, he declared, whether artisan, family, cooperative, big business, mixed enterprise, state enterprise, or autonomous public enterprise, could live together harmoniously under the majesty of the State. As to the number of the corporations, he favored "few but good" ones. The syndical delegates in the councils of the corporations should not be subject to binding instruction by their constituents. The presidency should always be held by a governmental official. With regard to the distinction between category and productive cycle corporations the concrete problem



was "essentially a political one and will be resolved by His Excellency the Head of the Government but from the ideal standpoint there are not and cannot be any other than corporations without adjectives and specifications." The corporations should, he thought, have legislative power even in the formal sense that their ordinances would be applied by the judges. The speaker concluded with the affirmation that the present discussion had an ideal and an exemplary value for all the peoples following Mussolini.

Brodero, vice-president of the Chamber of Deputies, president of the syndical confederation of professional persons and artists, Professor of the Philosophy of History at the University of Messina, former magistrate of the Court of Accounts, World War captain, and pre-War interventionist, next was accorded the recognition of the chair. He traced the history of the formation of the bourgeoisie during the past century and indicated the faults and contradictions which Fascism was called upon to solve. The solution in recombining politics and economics would permit the essential elements of production to regain their true economic function. The rule-making function of the corporations should be exercised at the request of the government and should be limited by the authority of the National Council of Corporations, which ought to replace the Chamber of Deputies.

Scheggi, a lawyer and a professor at the University of Rome, and an "early Fascist," pointed out that the central problem of corporative organization was to bring economic life with all its juridical and ethical aspects within the State. Individuality would not be annulled but would rather be surpassed in the Fascist occupational categories. The syndical organization must be retained and greater powers must be accorded to the Central Corporative Committee as the general coordinating body.

Professor Venturi of the University of Rome, a writer on the history of art, declared that the corporations should be

organs of public administration rather than primarily legislative bodies. The Minister of Corporations should be president of all corporations, the council of the corporation should be its deliberative organ, and the general civil service of the State should both collaborate in the formation of legislation and also see to its execution. He considered that a general reform of the civil service was more important than any constitutional reform.

Lantini, the president of the syndical confederation of commercial employers, declared himself in favor of the productive cycle as the basis for organizing the corporations but favored the equal representation in the council of a corporation of all interests without any attempt to evaluate the weights of interests concerned. The new institutions should have the rights of "inquiry and initiative" in the economic field. He was sympathetic with the proposal of the Agricultural Section that the corporations should control the voluntary and obligatory consortiums, but in order to provide for the unitary direction of production all resolutions of the corporations should be submitted to ratification, according to their importance, either by the Central Corporative Committee or by the general assembly of the National Council of Corporations. He declared that in opposition to the views of DeMarsanich he believed that the corporations could not properly reach as far as ownership or management. Any necessary intervention of such a type ought to be carried out by the State directly.<sup>7</sup>

Arias, professor of Political Economy and Corporative Law, collaborator of *Il Popolo d'Italia*,<sup>8</sup> declared that private initiative although the most efficacious instrument in the interests of the nation was not the only one. The fetish of private initiative without social duties had definitely fallen, he declared. As the Charter of Labor provided, private initiative was on

<sup>7</sup>It will be noted that the views of DeMarsanich as recounted above (p. 165) are not definitely in conflict with Lantini's position. Both speeches were carefully abstracted from the officially published record.

<sup>8</sup>*Chi è* (Italian "Who's Who?"), 1931.

certain conditions subject to replacement by state initiative. One should, therefore, speak of the state discipline of initiative and production or rather of the self-discipline exercised by the categories themselves for the State and within the State. In this latter feature lay the originality of state intervention under corporativism. The syndicates and the corporations, he thought, mutually completed each other. He declared himself opposed to the proprietary and managing corporation proposed by DeMarsanich.<sup>9</sup> As to the future functions of the corporations he felt that only time could tell. For the present, however, they should remain as administrative organs of the State with well-defined consultative and rule-making functions. The syndicates should remain for the purpose of labor relations and the corporations should have the discipline of the relationships which were truly and properly economic (*i. e.*, other than the labor relationships, which are held by the Fascists to be juridical). The administrative powers relating to consortiums and to the authorization of the enlargement of industrial plants should be transferred to the corporations. The Head of the Government or his delegate should be the president of each corporation and there should be special representatives of employers and workers. The question of the number of the corporations he answered in the same way as a previous speaker: they should be "few but good."

Petrone<sup>10</sup> undertook to discuss only the question of what the corporations should do. Their essential task, he maintained, was to direct the forces of Italian production. "Corporative activity ought exclusively to be directed to the study of an ever more perfect production and a distribution that places economic goods at the disposition of consumers in the quickest and cheapest way." The corporations must, he insisted, have power to issue obligatory regulations. He found the essence of the corporation in the definition enunciated by the Duce: "Organ-

<sup>9</sup> See note 7, above.

<sup>10</sup> Biographical data lacking.

isms which represent not mere theoretical construction, but organisms in which continuing and potent life circulates and vibrates; organisms which must discipline the forces of production and adjust them to the necessities of the Nation; which must regulate all the problems of production, for one must not make any old thing in any old way." Not merely the human factors of production ought to be represented but also the Government and the Party which personified the interests of the Nation and those of the consumers. There would thus come to be founded a new economic system, no longer based exclusively on capitalistic profit but upon all the elements operating in the productive world, whose disputes in the field of distribution would be decided by the Magistrate but whose activities in production would necessarily be impelled by a deep inner conviction and by a perfect hierarchic system toward a higher national end.

Lanzillo, a lawyer and journalist, formerly editor of *Il Popolo d'Italia*, a pre-War syndicalist, declared that new legislation was necessary for the organization of the corporations. They should be homogeneous groupings of all the occupational categories of each of the great branches of production. They should have the power of legislative initiative, presenting their proposals to the National Council of Corporations. They should respect private property and private initiative and should have no direct economic powers. Otherwise, he considered, they would become great monopolistic powers working against the equilibrium and peace of society. Specifically, the functions of the corporations should be 1. to be consulted of right upon the great questions of political economy, such as the tariff, transportation, taxes on manufacture, and commercial treaties, 2. to oversee and investigate with the necessary precautions the enterprises within their field to avoid the excessive development of large combinations, 3. to oversee economic life with a view to checking the unhealthy developments of incorporated companies (*anonime*) and 4. to be

consulted in cases of state intervention in economic life. He made reference to the possible conflicts between the corporations, if permitted to legislate, and the other legislative institutions, but expressed confidence that the Head of the Government could settle such conflicts. The activities of the various corporations, he declared, should be synthesized by a national assembly.

The next speaker was Pirelli, prominent Italian industrialist, member of the board of directors of numerous financial and industrial firms, president of the Association of Italian Incorporated Companies (*società anonime*), former member of the Dawes Committee. Pirelli declared that it had been well said that the corporative organization stood midway between communism, which theoretically solved the problem of a planned economy while obscuring the human element, and liberalism, which was founded upon the principle of the automatic reestablishment of the constantly broken economic equilibrium. In corporativism the State intervened organically, in that rules were made by those to whom they were to apply. "The political and social importance of the reform consists essentially in the fact that it is destined to give to all the categories of production, to the individuals as well as to the masses, a vivid sense of participating in the government of the economic life of the nation, while on the other hand its economic importance results from the fact that the discipline of production and of exchange is effected through the active and direct intervention, with the consequent responsibilities, of the living forces of the Nation in close collaboration with the organs of administration of the State." From his experience as an industrial executive in six countries he realized how much the tenor (*tono*) in which labor was carried on meant in production and in the competitive power of exportation. An immense benefit had accrued to Italian production from the spirit of order and discipline and the acceleration of rhythm which the Régime has impressed upon the productive element. To avoid the particular-



istic interests of occupational categories the Fascist principle of the supremacy of the general interest should be stressed. Corporations should be set up for all fields at once in order to avoid their sporadic establishment under the pressure of special interests and they should act through a coordinating body.

Barni, the president of the syndical confederation of workers in sea and air transportation, and member of the Chamber of Deputies, was a former socialist expelled from that party as an interventionist along with Mussolini. A volunteer in the World War, he had served as an officer and was continuously occupied as an organizer in the Fascist syndicates since their inception. Barni declared that the essential problem was to secure a more harmonious collaboration of labor, capital, and intelligence. He believed that there should be only a few corporations. He was in agreement with a previous speaker in opposing the proprietary type of corporation. The corporations should have rule-making powers on economic matters. He favored the productive cycle as the basis of organization.

Razza, the president of the syndical confederation of agricultural workers, a member of the Chamber of Deputies and of the Grand Council, had been a volunteer officer in the World War, a member of the first *fascio* at the time of its foundation and Mussolini's specially commissioned "liquidator of red organizations" in Milan. In January, 1935, he became Minister of Public Works<sup>11</sup> and died August 7, 1935, in an airplane accident in Egypt, while on the way to Eritrea. Razza declared that the dangers alluded to by Pala as involved in the multiplicity of legislating corporations did not exist "since Fascism is sharply differentiated from any liberalistic or bolshevistic construction." He pointed out that certain Fascist precedents existed for the operating corporations referred to by DeMarsanich. With the abolition of class and occupational category prejudices through the syndical law of 1926, he declared, both capital and labor had come to demand the estab-

<sup>11</sup> *New York Times*, January 25, 1935.

lishment of the corporations. The syndicate, he said, was the indispensable basis for the corporation. The corporations should be organs of the state administration with rule-making and administrative powers. The National Council of Corporations would have to be adapted to the new corporative structure. He emphasized the necessity for state control to check the disease of "elephantiasis" in certain undertakings and industrial groups.

Professor Tassinari, the president of the syndical confederation of agricultural employers, member of the Chamber of Deputies and of the Grand Council, participant in the World War, a Fascist since 1922, author of works on agricultural economics, vice-president of the Garden Produce, Flowers, and Fruits Corporation after the establishment of the corporations,<sup>12</sup> and appointed in January, 1935, undersecretary in the Ministry of Agriculture,<sup>13</sup> stated that the productive cycle type of corporation would be the most suitable for the attainment of a corporative society. As to the number of corporations he favored a policy of experimentation. Corporations should have stronger powers for the discipline of production than the law then provided. They ought not, however, to supplant private initiative. He thought that among their important functions should be included the limitation of the size of industrial plants, the limitation of cultivation, the systematization of commercial ethics, the limitation of substitutes for certain fundamental and genuine products, and tariff questions.

Fabbrici, a lawyer and the governmental commissioner administering the National Fascist Association of Cooperatives asked that the cooperatives be represented in all corporations. He pointed out that Fascism had abolished the function of the cooperative with regard to the class-struggle and that it had become a truly corporative organization. If there should be need for an organization to represent the consumers, the con-

<sup>12</sup> *Il Messaggero*, Rome, November 9, 1934.

<sup>13</sup> *Il Popolo d'Italia*, Milan, January 27, 1935.

sumers' cooperatives would form a good basis for such an organization. Fabbrici presented a resolution expressing his ideas. No action was taken upon the resolution.

Benni, the president of the syndical confederation of industrial employers and member of the Chamber of Deputies, had to go to work at the age of 14 in the then small plant of the Marelli firm which he is said to have brought to its present importance. With Olivetti, he had founded the Confederation of Italian Industry in 1919, the forerunner of the present recognized syndical confederation of industrial employers. In January, 1935, he became Minister of Communications. Benni declared that his speech would be practical as befitted a man who had lived the life of the shop. He said that private initiative no longer sufficed to avoid the dangers of disequilibrium. In the international field those forces would prevail in competition which showed themselves most able, most seasoned, and especially most disciplined and most solid. Circumstances required the imposition of a discipline upon private initiative which would coordinate it with the action of the State in the direction of the ends which the State pursued and in the interests of the producers themselves. In place of the fragmentary and sporadic intervention of other states in the economic system, Fascism would have a system. Nowhere else was the climate so ripe as in Italy for the discipline of production. It was now opportune to give the laboring classes a more precise and direct acquaintance with the problems of the individual branches of economic life—a potent means for collaboration in a field where their interests were more than ever the same as those of capital. For industry in general he would prefer to have the corporations set up on an occupational category basis but in certain cases to satisfy the requirements of agriculture they might be established for productive cycles in which industrial, commercial, and agricultural interests would all be included. The corporations must have rule-making powers and, if not the corporations, then at least the National Council of

Corporations must have real legislative power. On the means and ends of the reform about to be brought about, however, discussion was not proper since the matter should be left to the wisdom of the Duce. He concluded by recalling that from the Pact of the Chigi Palace in 1923 and the Pact of the Vidoni Palace of 1925 the industrialists had demonstrated their full adherence to Fascist principles and he pledged for the future their thorough and complete collaboration in the institutions which the Régime and its Head would bring to realization for the discipline and strengthening of the national economy.

After the twenty-ninth speaker had concluded his remarks Mussolini declared the discussion closed. He then read a resolution which, he stated, embodied the conclusions of the debate, announced that at the following session he would explain its provisions, and forthwith adjourned the meeting. The text of the resolution submitted by the Head of the Government was as follows:

The National Council of Corporations defines the corporations as the instruments which under the aegis of the State effect the integral, organic, and unitary discipline of the productive forces with a view to the development of the wealth, the political power, and the well-being of the Italian people;

declares that the number of corporations to be established for great branches of production ought to be adequate for the real needs of the national economy;

establishes that the general staff of the corporation ought to include representatives of the administrations of the State, of the Party, of capital, of labor, and of technique;

assigns as specific tasks for the corporations the conciliative function [*i. e.*, in collective labor disputes], the consultative function, to be obligatory in problems of major importance, and through the National Council, the issuance of laws regulating the economic activity of the nation;

refers to the Grand Council of Fascism the decision upon the further developments in a politico-economic sense that should be

brought about in consequence of the effective establishment and the practical functioning of the corporations.

The presentation of this resolution brought to an end the deliberations of the National Council of Corporations upon the questions involved in the establishment of the corporations. No further discussion took place except for the speech of Mussolini.

It will be observed that the proceedings of the Council consisted of a series of addresses relating to a general question and that the Council did not itself by the process of motions, amendments, and voting reach any specific decisions relating to the matter before it. The significance of the discussion lay only in such influence as the addresses severally may have had upon the future action of the Head of the Government and the Grand Council and in such publicity for the new corporations as may have resulted from the newspaper and other notices of the meeting.



## CHAPTER XI

### THE ESTABLISHMENT OF THE CORPORATIONS

MUSSOLINI'S speech at the conclusion of the 1933 session of the National Council of Corporations is important as the official presentation of the Fascist doctrine underlying the establishment of the corporations.<sup>1</sup> The Duce recalled that on October 16, 1932, at the decennial celebration of Fascism he had raised the question: Was the crisis of the last four years a crisis *in* the system or *of* the system? He was now ready to answer the question. "The crisis has penetrated so deeply into the system that it has become a crisis of the system. . . . We can now affirm that the capitalistic mode of production has been outmoded and with it the theory of economic liberalism that provided its explanation and its apology." Mussolini then undertook to trace the general lines of development of capitalism during the past century, the "century of capitalism." His remarks will by some be considered more properly applicable to the phenomenon of industrialism, for he defined capitalism specifically as "in its most perfect expression . . . a method of mass production for mass consumption, mass financed through the issuance of national and international share capital. Capitalism is hence industrial and has not had manifestations of great scope in the agricultural field." He held that the bourgeoisie must not be confused with capitalism, for the bourgeoisie was "a mode of life (*un modo di essere*) which may be great or small, heroic or philistine," while capitalism was "a specific mode of production, an industrial mode of production."

Mussolini then distinguished three periods in the development of capitalism: "the dynamic period," "the static period," and "the period of decadence." During the first period 1830-1870, the only one to which he assigned definite dates, he main-

<sup>1</sup> Text in "Il Discorso del Duce sulle Corporazioni," supplement to *Il Lavoro Fascista* published in care of the *Confederazione Nazionale dei Sindacati Fascisti dell'Industria*, Rome, 1933.

tained that actual free competition accompanied the rise of the factory system. "Selection in this first period in the life of capitalism is truly operative." Brief wars took place, the longest that of 1870 which, together with the cutting of the Isthmus of Suez, marked the close of the period. During the first period, Mussolini maintained, the State conformed to the theoretic tenets of liberalism which exhorted it to make its existence unnoticed in the economic sphere. In this period "Economy, therefore, in all its manifestations is limited only by the penal code and the code of commerce."

After 1870, however, the Duce declared, there was no longer "the struggle for life, free competition, the selection of the strongest." The first symptoms of fatigue occurred with the beginning of the cartels and other forms of combination. "The very law of supply and demand is no longer a dogma for through the cartels and trusts both demand and supply may be controlled; finally this coalesced, trustified capitalistic economy turns to the State. What does it ask? Tariff protection." Gradually free trade was abandoned.

In the period following the War and in consequence of it, Mussolini stated, there came an inflation of capitalistic enterprises. Accumulations of capital reached into the billions. Two individuals were characteristic of the situation: Kreuger and Insull. "Having reached this phase, supercapitalism draws its justification from the Utopia of illimitable consumption. The ideal of supercapitalism would be the standardization of the human race from the cradle to the grave." It would wish all men to be born of the same length so that cradles might be standardized, that children should all want the same toys, that men should all wear the same uniform, that they should all read the same book. This Mussolini maintained to be the logic of things, for only thus could supercapitalism make its plans.

Mussolini next alluded to the increased recourse of great industry to the assistance of the State. The capitalistic enterprise thus became of social rather than of economic signifi-

cance. "If we were willing to yield to this capitalism of the last hour we should arrive precisely at state capitalism, which is only the reversed aspect of state socialism. We should arrive in one way or another at the bureaucratization of the national economy."

The question of the rôle of Europe in the world was the next subject to which the Duce turned his attention. After declaring that the political, spiritual, and economic leadership of the world had passed out of the hands of Europe because of the disunion of that continent, and after dismissing the League of Nations and other existing arrangements as without practical significance, he concluded with a plea for the Four Power Pact, then the particular object of Italian diplomacy.

The economic situation of Italy was next considered. The Duce maintained that it was improper to consider Italy a capitalistic country. He emphasized the multifold occupational divisions of the Italian population shown by the census and particularly stressed the total of 7,900,000 persons connected with agriculture. He maintained that these figures refuted the two-class theory of Karl Marx. Italy, the Duce declared, should remain a mixed economy based upon a strong agriculture with a healthy small and medium-sized industry, a sound banking system, and a commerce that fulfilled its function of supplying the consumers with goods.

The Duce then came to the subject of the corporations themselves. Referring to the resolution which he had placed before the Council, he pointed out that the corporations were to be established for "the development of the wealth, the political power, and the well-being of the Italian people." With regard to the last of these aims he declared that "at a certain time these institutions which we have created must be felt and noticed directly by the masses as instruments through which those masses are bettering their standard of living. At a certain time the worker, the agricultural laborer, must say to himself and to his intimates: If I today am actually better off I owe it to the institutions which the Fascist Revolution has created."

With regard to the consultative functions of the corporations, Mussolini predicted that there would be no great change from the past practice of the governmental agencies in consulting with interested parties. In the future he saw no objection to making it obligatory for the corporations to be consulted on particular matters. In explanation of the consultative function, he stated:

Our State is not an absolute State, still less, absolutist, far from men<sup>2</sup> and armed only with inflexible laws, as laws must be. Our State is an organic, human State, that wishes to adhere to the reality of life. The very civil service is not today, and still less wishes to be tomorrow, a diaphragm between the work of the State and the real and concrete needs of the Italian people. I am quite certain that the Italian civil service, which is admirable, even as it has done up to now, will continue tomorrow to work with the corporations whenever it may be necessary for the most satisfactory solution of problems.

The constitutional questions involved in the transfer of legislative powers from the existing Chamber of Deputies to the National Council of Corporations would, Mussolini considered, require more time for solution than the few remaining months of the existing Chamber afforded. A new Chamber would, therefore, be chosen in the same manner as the old, but the new Chamber "at a certain point would have to decide its own destiny."

In January, 1923, the Duce stated, the creation of the Grand Council of Fascism marked the burial of political liberalism. "Today we are burying economic liberalism." The corporation would play the same rôle in the economic field as the Grand Council and the Militia had played in the political field. Corporativism, he declared, was "disciplined, and hence controlled, economics." It would surpass socialism and liberalism and would create a new synthesis. He alluded to the socialistic parties of all Europe, not merely those of Italy and Germany,

2 " . . . lontano dagli uomini . . . "

as being "broken into bits." The decadence of capitalism, he maintained, coincided with that of socialism. They belonged to the same historical period. "From the one and the other we inherit whatever it had that was vital."

Mussolini concluded with a summary of the social implications of Fascism and a reference to the possibility of Fascism in other countries. "We have rejected the theory of the economic man, the liberal theory, and we have arisen in wrath whenever we have heard it said that labor is a commodity. The economic man does not exist; there exists only the integral man who is political, who is economic, who is religious, who is saint, and who is warrior." As to the question of the possibility of Fascism in other countries, Mussolini said:

There is no doubt that, given the general crisis of capitalism, corporative solutions will be imposed everywhere; but to bring about the full, complete, integral, revolutionary corporativism three conditions are necessary. A single party, through which, side by side with economic discipline, political discipline enters the field of action, and which possesses, above contrasting interests, a bond uniting all, the common faith. . . . the Totalitarian State, absorbing into itself, in order to transform and to make potent, all the energy, all the interests, all the hope of a people. . . . Third, last and most important condition, a period of the highest ideal tension must be lived through.

With the address of the Duce the proceedings of the 1933 session of the National Council of Corporations came to an end, in so far as the discussion of the establishment of the corporations was concerned, and after the routine action of the Council without discussion upon two matters not related to the subject of the debate the session adjourned. The questions with which the session opened relating to the manner in which the new organizations were to be set up and to the scope of their functions had been very incompletely answered. Mussolini's resolution and his address left no doubt that the corporations would be available for consultation by the government, a matter



which was hardly doubtful from the beginning. The conciliative function in collective labor disputes, which had been planned for the corporations as early as the 1926 syndical legislation, would also be retained according to the text of the resolution. The only other decision as to the functions of the new bodies related to their action "through the National Council of Corporations in the issuance of laws regulating the economic activity of the nation," a phrase which, as will be seen, does not describe with exactness the rule-making functions eventually assigned to the corporations. The details of structure and of authority of the new corporations appear only at a later stage than that of the discussion in the National Council.

On December 9, 1933, the Grand Council of Fascism approved the draft of a bill on the "Establishment and Functions of the Corporations" designed to combine in one text most of the legislation relating to the corporations and to make some changes in the existing legislative provisions. Mussolini, as Minister of Corporations, introduced the bill into the Senate on January 8, 1934.<sup>3</sup> In the ministerial report accompanying the bill the Duce described the modifications in existing law which the bill would accomplish. Corporations would be established under the new bill by decree of the Head of the Government upon the proposal of the Minister of Corporations after the Central Corporative Committee had been consulted instead of directly by decree of the Minister of Corporations. The president of a corporation would be a minister, an undersecretary of state, or the Secretary of the Fascist Party and would be appointed by decree of the Head of the Government. As to the composition of the corporations and the manner in which the members of their councils would be chosen by the different syndical organizations the bill left all details to the decrees

<sup>3</sup> See *Codice corporativo* (vol. I) published by Angelo Signorelli, Rome, 1934, a collection of legal texts, reports, and speeches relating to the establishment of the corporations and also including the principal syndical laws.

establishing the individual corporations. Mussolini maintained, however, that the controversy over the respective merits of the productive cycle or the occupational category as the basis for the corporation had been decided through a compromise in the form of corporations based upon "great branches of production"<sup>4</sup> supplemented by more or less temporary sections, established on a category basis, and corporative committees, linking various interests on the basis of product, as provided in the bill. It will be seen that when the corporations were actually set up this question was reopened and actually some corporations were established on a productive cycle and some on a category basis. The Duce also pointed out that it had seemed desirable to release the new corporations from the requirement that their rule-making activities should require the prior consent of all the syndical associations interested and, therefore, the bill provided that only a proposal by one such organization should be necessary.

In the Senate the discussion of the bill on the corporations took place on January 12 and 13, 1934. A special committee appointed to consider the bill recommended no changes and devoted its report to a eulogy of the Fascist Régime and a brief exposition of the provisions of the bill, which paralleled closely the ministerial report. Ten senators took part in the discussion. No opposition to the provisions of the bill was expressed although one senator declared that the success of the new economic system would depend upon one essential condition, "that the necessary restrictions upon free initiative should not result in a languishing of private activity or of the will to labor."

The discussion in the Senate was concluded with a speech by Mussolini. The Duce complimented the senators who had taken part in the debate for the "new rays of light" which they had cast upon the bill. He went over some of the ground of his earlier speech to the National Council of Corporations in the matter of the stages of development of capitalism, and

<sup>4</sup> See text of resolution, p. 175.

stressed again the tendency toward state intervention manifested in the period of modern "supercapitalism." Mussolini then enumerated the characteristics of the corporative economy. First, he stated that the corporative economy respected private property, which was necessary to complete the human personality, but which must be active in developing, increasing, and multiplying the fruits of riches, rather than merely passive in enjoying them. Second, it respected private initiative. The State, according to the Charter of Labor, would intervene only when private initiative proved deficient, lacking, or insufficient. But economy, both industrial and agricultural, had to be disciplined. This would be accomplished under corporativism through the self-discipline of the categories. "Only in second place when the categories have not found the road of agreement and of equilibrium can the State intervene and have the sovereign right even in this field. . . ." The Duce concluded with the declaration that only after the corporations had had a period of effective operation would the third phase of Fascist reform arrive, the constitutional phase in which would be decided the destiny of the Chamber of Deputies.

The Chamber of Deputies considered and passed the bill on the corporations on January 18, 1934. The report of the special committee on the bill alluded to the fitness of the passage of this law by the first all-Fascist Chamber of Deputies at the close of its labors just as it had begun them with the ratification of the "historic agreements, which put an end to the quarrel between the State and the Church." After sketching the history of Fascist syndical and corporative legislation the committee excused itself from repeating the analyses of the bill contained in the ministerial report and in that of the senatorial committee and recommended unanimously that the bill pass.

Only two deputies spoke on the bill. Razza declared that the all-Fascist Chamber was about to perform the duty of affirming to the Duce that the present law was preeminently a creation of the collective spirit, of the new soul of the Italian people.<sup>5</sup>

<sup>5</sup> *Atti parlamentari, Camera dei deputati*, January 18, 1934.

He considered that Italy was returning to "a rural and artisan economy, the stimulus of republican and peasant Rome which, glimpsed by Caesar, was the first germ of empire." There would not, however, be any return to the outworn medieval economy, for the present bill, continuing the work of 1926, formed the beginning of a new economic, political, and syndical period. Outside Italy disciplines not desired by the people had been imposed. "We can say to the Duce, instead, that this law represents a true dedication of the soul of the people to the Duce and to the Régime."

Rocco, who had delivered the report of the committee, then resumed the floor. In the name of the Chamber he thanked the Duce for being willing to associate the Chamber in his long, noble, and great task. "Fascism," he stated, "has solved the political problem by creating a régime of authority, yes, but a popular régime, and has solved the economic problem by creating the corporative régime." Economic liberalism had failed, he said, because it had created the puppet of the economic man and had assumed as a basis the error of the free play of supply and demand, which could not function freely in a régime of "supercapitalism." Socialism had failed through its errors in the subordination of the problem of production to that of distribution and in the suppression of the spirit of thrift, the essence of the economic system. Fascism, he said, had come in time to replace these errors when they had been thrown into relief by the world crisis. Fascism, having provided for the problem of the distribution of wealth in 1926, would now organize the production of wealth for national ends through the self-government of the categories under the high control of the State. He concluded by affirming that the danger of the development of an egotism of categories and of an excessive bureaucracy need not be feared, for the Duce would guide and mold the corporations.

After the conclusion of Rocco's speech the President of the Chamber declared the discussion closed. "Since each of

us," he said, "has not only read with attention but has also meditated and approved in the depths of his heart the articles of the bill, I propose that the reading of them be omitted and the law be declared approved by acclamation and set aside for the secret balloting." Amid general applause the bill was approved by acclamation.

Royal approval was formally accorded the law on the "Establishment and Functions of the Corporations" on February 5, 1934.<sup>6</sup> According to the provisions of the law, corporations were to be established by decree of the Head of the Government upon the proposal of the Minister of Corporations, issued after consulting the Central Corporative Committee. The president of a corporation was to be appointed by decree of the Head of the Government and must be a minister, an undersecretary of State, or the Secretary of the Fascist Party.<sup>7</sup> The decree establishing a corporation was to determine the number of persons who should compose its council and the number to be nominated by each of the syndical associations concerned. Such nominations would require the approval of the Head of the Government acting on the proposal of the Minister of Corporations. In corporations representing various occupational categories special sections might be set up on a category basis, but the actions of such sections must be ratified by the whole council of the corporation. The Head of the Government was authorized also to convene together the councils of two or more corporations for the discussion of questions exceeding the jurisdiction of any particular corporation. The Head of the Government might also establish corporative committees "for the discipline of economic activity having reference to specific products." Actions of such committees were to be subject to the approval of the corporations

<sup>6</sup> Law of February 5, 1934, No. 163.

<sup>7</sup> On September 24, 1936, a royal decree-law vested the presidency of the corporations specifically in the Head of the Government or the Minister of Corporations. *Sindacato e Corporazione*, v. 66, p. 309.



concerned and of the Central Corporative Committee.<sup>8</sup> The corporations were authorized to issue rules for the "collective regulation of economic relations and for the unitary discipline of production" subject to the consent of the Head of the Government and after a proposal by one syndical association. The law also required that collective economic agreements<sup>9</sup> be passed upon by the council of the corporation within whose jurisdiction they came before being considered by the Central Corporative Committee.<sup>10</sup> "The corporation in the branch of its competence shall have power to establish schedules of professional and economic fees and of the prices of consumption goods offered to the public under privileged [*i. e.*, monopoly] conditions." This power was to be exercised under the same conditions as that of making rules for the "collective regulation of economic relations." The rules and schedules of fees and prices which the corporations were authorized to make were subject to the approval of the Central Corporative Committee<sup>11</sup> and would become obligatory with the same force as collective labor contracts when published by decree of the Head of the Government.

The corporations were authorized to give opinions on all matters within the fields of their respective jurisdictions upon the request of any competent governmental agency. The Head of the Government was authorized to abolish the existing consultative commissions for fields in which corporations should be established. The conciliatory function of a corporation in collective labor disputes<sup>12</sup> was to be exercised through a committee of conciliation chosen "from time to time by the president, consideration being given to the nature and object of the individual controversy." The law concluded with authoriza-

8 The law reads "general assembly of the National Council of Corporations," but since the decree-law of April 18, 1935, No. 441 (see page 151, text and note), the Central Corporative Committee has assumed these functions.

9 See p. 151, above.

10 Note 8, above.

11 Note 8, above.

12 See above, p. 121.

tion for the Royal Government to issue the necessary rules to bring the earlier legislative provisions into harmony with the present law and to alter the composition of the various organs of the National Council of Corporations.

With the definite promulgation of the law on the corporations the question of the powers these bodies were to exercise was definitely settled but the problem of the division of their respective jurisdictions and of the distribution of syndical representation within their councils was still open. The Central Corporative Committee, on May 10, 1934, issued a report on these matters.<sup>13</sup> The Committee noted that the principle had been established that the corporations should be set up for "great branches of production" but considered that the question still remained of whether the precise plan of organization should be by productive cycle or by occupational category. In general (the exception being the "service" occupations), the Committee declared, the corporations should be established for productive cycles since the productive cycle "presents a more solid theoretic foundation than the principle of the category and corresponds to a more exact interpretation of economic reality."

Twenty-two corporations divisible into three groups were decided upon. The first group contained eight corporations established for productive cycles which included agricultural, industrial, and commercial elements—in other words, the producers of raw materials, the processors, and the distributors of goods. The corporations of the first group were the following: 1. cereals; 2. garden produce, flowers, and fruits; 3. vineyards and wine; 4. oils; 5. beets and sugar; 6. animal industries and fishing; 7. wood; and 8. textile products.

The second group of eight corporations were to be established for productive cycles which included only industrial and commercial elements. The corporations in this group were: 1. metallurgy and mechanics; 2. chemical industries; 3. cloth-

<sup>13</sup> See *Codice corporativo*, vol. ii, Rome, 1934.

ing and accessories; 4. paper and the press; 5. building construction; 6. water, gas, and electricity; 7. extractive industries; and 8. glass and ceramics.

The third group containing six corporations established on a category basis for activities productive of services included the following corporations: 1. insurance and credit; 2. professions and arts; 3. sea and air transportation; 4. internal communications; 5. the stage; and 6. tourist industry, hotels, etc.

The plan of organization approved by the Central Corporative Committee was embodied in twenty-two decrees establishing the corporations listed above and issued by the Head of the Government between June 5 and July 5, 1934. In general form all the decrees were identical, except for provisions regarding the composition of the council of the corporation. In all cases the decrees provided that the Minister of Corporations should be president of the corporation and that there should be three representatives of the Fascist Party in the council, one of whom, designated by the Head of the Government, was to be vice-president. The other members of the council were to be appointed by the various syndical organizations and by the National Fascist Association of Cooperatives. The members appointed by the syndical associations must belong to the occupational groups which they represented or else be syndical officials. The term of office of members of the council was to be three years and was to coincide with that of the members of the National Council of Corporations. Re-election was permitted. The agenda of the council of a corporation was to be fixed by the Head of the Government upon the proposal of the Minister of Corporations, after the latter had submitted his proposal for comment to the other ministers interested. The president of a corporation was authorized to admit to the meetings of the council experts in the problems under discussion but without the right to vote. The various ministers and undersecretaries of state of ministries interested in matters under discussion and the presidents of the syndical

confederations of workers and employers in agriculture, industry, and commerce were given the right to participate in any meeting of the council of a corporation. The committee exercising the conciliatory function of the corporation in collective labor disputes was to be composed of three persons chosen from time to time by the president of the corporation, the chairman to be chosen from outside the categories represented in the corporation, and the other two members to represent the employers and the workers respectively. The rules for procedure and voting in the National Council of Corporations<sup>14</sup> were to be followed, in so far as applicable, in the procedure of the council of the corporation. The secretary-general of the National Council of Corporations, an official of the Ministry of Corporations, was charged with the secretarial work of the corporations and with the task of coordinating the work of the various corporations among themselves and with the other agencies of the State.

Besides the president in each case, the number of members in the councils of the various corporations as originally established varied from 68 for the Corporation of Chemical Industries to 15 for the Corporation of Beets and Sugar. The total membership of all the councils appears to have been 822<sup>15</sup> and this is the body which, meeting irregularly to hear the speeches of the Duce, is known as the National Assembly of the Corporations.

The average membership of the councils as originally established was 37.4. After deducting the three representatives of the Fascist Party in each corporation, the total membership remaining is 756, of which 117 belonged to the corporations of Professions and Arts, Credit and Insurance, and the Stage, whose councils were somewhat differently composed from those of the other corporations. The council of the Corporation of

<sup>14</sup> See above, p. 149.

<sup>15</sup> The figure 823, usually given, appears to be based upon an error in drafting the decree establishing the Corporation of Textile Products, which states the total membership of the council of that corporation to be 58, whereas the detailed list adds up only to 57.

Professions and Arts included two representatives of employers and two of workers in the fields of applied art and of commerce in artistic objects, 30 representatives of experts, professional persons, or artists, one representative of private educational institutions, and two representatives of artisans in the field of applied art.<sup>16</sup> In the council of the Corporation of Credit and Insurance there were two representatives of cooperative or mutual organizations, seven *ex-officio* members,<sup>17</sup> 22 representatives of banking or insurance institutions and 18 representatives of employees of such institutions. In the council of the Corporation of the Stage there were three *ex-officio* members,<sup>18</sup> 22 representatives of employers and workers in equal numbers, and six representatives of experts, professional persons, or artists. The representatives in the councils of the other corporations, other than the presidents and the representatives of the Fascist Party, may be classified as follows:

Artisans .....	16
Cooperatives and similar societies .....	13
Experts, professional persons, or artists .....	34
Employers and workers in equal numbers .....	576

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639

The distribution of representation among the various syndical organizations represented in a particular corporation was to some extent weighted, but no general principle has been announced on the basis of which the assignment of representatives was made.

16 By decree of the Head of the Government, March 20, 1936, a representative of workers in the offices of professional persons was added to the council of this corporation. *Sindacato e Corporazione*, v. 65, p. 346.

17 The Governor of the Bank of Italy and the presidents of the *Istituto di Ricostruzione Industriale*, the *Istituto Mobiliare Italiano*, the Association of Italian Joint-Stock Corporations, the National Institute of Insurance, the National Fascist Institute of Insurance against Accidents, and the National Fascist Institute of Social Insurance.

18 The presidents of the Italian Society of Authors and Publishers, the National Institute L. U. C. E. (a state agency producing motion-pictures for educational and propaganda purposes), and the *Opera Nazionale del Dopolavoro*.



The list of members of the councils of all the corporations was published on November 8, 1934.<sup>19</sup> Only the final appointments approved by decree of the Head of the Government were ever made public. Some idea of the steps in the process of selecting the members of the councils representing the workers' syndical organizations may be secured from the following description given in the interview already referred to with an official of one of the workers' syndical confederations. The council of each syndical federation first elected persons to fill the seats allotted to it in the council of one or more corporations. The list was then submitted to the officials of the confederation to which the federation belonged. The officials of the confederation usually prevailed upon the federation to change its list in such a way as to include the names of prominent persons formerly in some way associated with its occupational category which the officials of the federation, being relatively transitory and "less experienced" than those of the confederation, had passed over in favor of present members of their category. The revised lists were next submitted to the Ministry of Corporations which, being somewhat "more experienced" than the officials of the confederation, was able to bring about further changes of the same nature in the list and also, after consultation with the party authorities, to secure the removal of the names of persons considered by the Party to be "unreliable." The twenty-two vice-presidents of the corporations were, as has already been indicated, designated by the Head of the Government from among the three representatives of the Fascist Party in each of the councils. Data secured with regard to the careers of twenty of these officers indicates that ten had been employers, six had combined professional activities with the holding of party offices, three had been officers of the official workers' syndicates, and one appeared to have been exclusively employed in party office.<sup>20</sup>

19 See *Il Messaggero*, Rome, and other Italian papers dated November 9, 1934.

20 Edoardo Savino, *La Nazione Operante*, Milan, 1934, or *Chi è*, 1931.

A formal inaugural meeting held at Rome on November 10, 1934, was the final step in the establishment of the corporations.<sup>21</sup> The meeting was attended by the newly appointed members of the councils of the corporations, and Mussolini delivered an address in which he characterized the assembly as "the most imposing, perhaps, in the history of Italy" and as "a revolutionary assembly, one of those which act with method and with enthusiasm to bring about, in institutions, in laws, and in customs, the political and social transformations that have become necessary in the life of a people." He indicated that this assembly, rather than the old National Council of Corporations, would eventually replace the Chamber of Deputies, without, however, naming either of those bodies.<sup>22</sup> One of the aims of the new corporations would be "to shorten gradually and inflexibly the distance between the greatest and the least possibilities of life. And that is what I called a higher 'social justice.'" The Fascist century would maintain and strengthen that equality before the law proclaimed by the last century but would add also the principle of the "equality of men before labor understood as a duty and as a right." Such basic equality, however, he declared, did not exclude but rather required the "clearest differentiation of hierarchies from the point of view of function, of merit, and of responsibility." No miracles, however, were to be expected, he said, for the corporations would have to go through a more or less long experimental phase. At the close of the applause following his speech the Duce declared the assembly adjourned.<sup>23</sup>

21 *La Tribuna*, Rome, November 11, 1934.

22 "... this assembly ... will replace in its time another institution that belongs to a bygone phase of history."

23 In April, 1936, the terms of office of members of the councils of the corporations being on the verge of expiration, the incumbents were reappointed for a term of three years ending April 21, 1939. *Sindacato e Corporazione*, April, 1936, p. 406. No action was taken on the simultaneous expiration of the mandates of the members of the National Council of Corporations.

## CHAPTER XII

### THE CORPORATIONS IN OPERATION

WITH the inaugural meeting of the Animal Industries and Fishing Corporation in January, 1935, the first series of meetings of the corporation councils began. Thereafter, the council of each corporation met in turn until the twenty-second, the Metallurgy and Mechanics Corporation, held its first meeting in February, 1936. Usually Mussolini presided over the first day's meeting of the council of a corporation and for the remainder of the session, three or four days, the vice-president of the corporation presided. As required by law, the proceedings of the various corporations were reported by their respective vice-presidents to sessions of the Central Corporative Committee in January and April, 1935, and in January and October, 1936.

The first corporation to produce a regulation legally enforceable under the provisions of the law on the corporations was that of Beets and Sugar, meetings of whose council took place in Rome in March and April, 1935. This event, though proclaimed in *Il Lavoro Fascista* on May 8, 1935, as "the first legislative act of the corporations" shows the council of the corporation in a rôle that cannot definitely be considered legislative. As officially reported,<sup>1</sup> six matters were placed before the Corporation of Beets and Sugar in its official agenda:

1. The production of alcohol for use as a fuel
2. Fiscal policy with respect to the consumption of sugar
3. The regulation of the production of sugar beets
4. Control over the production of, and commerce in, sugar beet seeds
5. Relations of the sugar industry with industries consuming sugar
6. The regulation of sales prices of sugar.

<sup>1</sup> *Sindacato e Corporazione*, Rome, April, 1935, pp. 903-930.

These questions were submitted to the corporation along with numerous recommendations from syndical and other organizations regarding actions which the corporation might take. During its meetings, held on March 30 and April 1 and 2, 1935, the council of the corporation adopted resolutions upon all these matters except the third and yet it was upon this third question that the so-called "first legislative act of the corporations" embodied in a regulation approved by the Central Corporative Committee on April 30, 1935, and promulgated by decree of the Head of the Government, occurred.

As finally promulgated the "Rules for the Regulation of the Cultivation of Beets" were the following:

I. Cultivators of beets for the production of sugar must cultivate during the 1935 season an area not greater than that fixed in the contracts of cultivation made according to the convention made on March 8, 1935-XIII between the National Association of Beet Cultivators and the National Consortium of Sugar Producers.

II. The farmer who has made a contract for the cultivation of beets for the production of sugar is forbidden to plant lands with sugar beets for use as cattle feed.

III. The competent syndical associations shall establish a rigorous control of areas cultivated and of consignments. They may, when necessary, avail themselves of the bodies referred to in article 1, within the limits permitted by their respective by-laws.

IV. For penalties in case of non-observance of the present rules the provisions of article 11 of the law of February 5, 1934, No. 163, are to be followed.<sup>2</sup>

In the absence of any relevant resolution of the Beets and Sugar Corporation<sup>3</sup> it must be assumed that these regulations

<sup>2</sup>Text in the proceedings of the Central Corporative Committee, reported in *Sindacato e Corporazione* (May, 1935), v. 63, p. 1174, and in the Decree of the Head of the Government of May 3, 1935, No. 525, promulgating these rules. Article 11 of the law on the corporations provides that the penalties for the non-observance of corporative rules shall be the same as those provided for the violation of collective labor contracts.

<sup>3</sup>"3. On the question: *The regulation of the cultivation of sugar beets*, no motion was passed," *Sindacato e Corporazione*, April, 1935, p. 929.

first appeared officially in definite form when submitted by the Head of the Government to the Central Corporative Committee for its approval on April 27, 1935, after the vice-president of the Beets and Sugar Corporation had reported on the work of that corporation and upon the motions which it had passed. That any discussion upon this particular question took place in the council of the corporation is not shown by the official report. Discussion in the Central Corporative Committee relating in general to the work of the Beets and Sugar Corporation and also to the projected regulation submitted by the Head of the Government is, however, reported as having taken place on April 27 and 30. The ministers of Justice, Agriculture and Forests, and Finance, the undersecretary of state for the Merchant Marine, the president of the syndical confederation of agricultural workers, and Pirelli, the president of the Association of Italian Joint-Stock Companies, are recorded as having participated in this discussion.<sup>4</sup> The decree of the Head of the Government promulgating the "Rules for the Regulation of the Cultivation of Beets," in referring formally in its preamble to "rules drawn up by the Beets and Sugar Corporation," forms the only indication that the corporation took any definite part in the formation of these rules.

Although the definite formulation of the "Rules for the Regulation of the Cultivation of Beets" cannot with certainty, on the basis of the evidence referred to, be ascribed to the Beets and Sugar Corporation, the rules may be found in preliminary form in proposals submitted to the corporation by the National Association of Cultivators of Beets, by the syndical confederation of agricultural workers, and by the syndical federation of employers in the industry of "sugar, candy, and related products." The proposals of these bodies agreed in urging that the cultivation of sugar beets be restricted either in respect to the area planted or in respect to the quota consignable to factories. It was suggested, moreover, by the first two organiza-

<sup>4</sup> *Sindacato e Corporazione*, May, 1935, pp. 1173-1174.



tions that the planting of an excessive area or the consignment of a quantity of beets exceeding the quota should be punished by forbidding the offending farmer from producing sugar beets during the succeeding year. The Federation of Sugar, Candy, and Related Industries (employers), moreover, was the author of the suggestion that the cultivation of sugar beets for cattle feed by farmers contracting to produce beets for the production of sugar be prohibited, basing this proposal on the contention that such cultivation was "rather often only a pretext to cover excessive cultivation, since such beets always end up at the sugar mills."<sup>5</sup>

Other matters considered by the Beets and Sugar Corporation may serve as examples of the work of the corporations in the non-regulatory sphere. The question of the production of alcohol for use as a fuel related to proposals for the progressive increase in the production of alcohol from beets in order to promote Italian economic self-sufficiency. Such alcohol was to be used in the execution of the governmental program requiring that all gasoline, most of which is imported, be mixed with a fixed percentage of alcohol before being offered for sale as a fuel. In this way it was hoped that the quantities of gasoline imported annually could be steadily reduced. Beets were regarded as the principal prospective source for the alcohol required. The resolution adopted by the Corporation of Beets and Sugar on this question read as follows:

The Corporation of Beets and Sugar, having noted the necessity for an increase in the production of fuel alcohol for reasons involved in the balance of payments, the land development program, and the National Defense, and having recognized that beets represent the raw material most important for the production of large quantities of alcohol, expresses the opinion that the problem of fuel alcohol can be solved through the following directives:

1. Divide the program of increase in the production of fuel alcohol among several years in order to reach gradually the annual production desired.

<sup>5</sup> *Sindacato e Corporazione*, April, 1935, pp. 913-915.

2. Establish by law, extending the terms of the royal decree-law of February 14, 1930, the requirement that all importers, or producers, of gasoline take an amount of alcohol proportional to the amount of gasoline imported, or produced within the country, sufficient to use up all the fuel alcohol available after having provided with absolute precedence for the needs of the State. Establish, besides, the requirement that only gasoline mixed in the proportions fixed by the competent ministers shall be sold.

3. Authorize only one institution to acquire fuel alcohol from the producers and to distribute it to the importers and producers of gasoline at prices fixed by competent state agencies in relation to the cost of the raw materials employed.

4. Let the restrictions upon first-class alcohol under the royal decree-law of February 14, 1930, be not applied to alcohol produced from beets for use as a fuel.

5. The fundamental conditions having been established for the rise of the new industry of the distillation of beets, let either production in industrial organisms or in agricultural distilleries be declared suitable.<sup>6</sup>

In the following form the Central Corporative Committee at its meeting of April 30, 1935, declared its approval of the above resolution:

The Central Corporative Committee, having heard the report of the vice-president of the Corporation of Beets and Sugar regarding the problem of fuel alcohol, approves the resolution of the corporation and fixes four years as the period of time within which the production of fuel alcohol should reach the quantity necessary to mix all gasoline used as fuel in the proportion already adopted of 20% by volume of alcohol and 80% of gasoline.<sup>7</sup>

As to the other resolutions adopted by the council of the Beets and Sugar Corporation a summary will suffice. The corporation recommended that an increase in the consumption of sugar should be brought about through an adjustment of the

<sup>6</sup> *Sindacato e Corporazione*, April, 1935, pp. 927-928.

<sup>7</sup> *Sindacato e Corporazione*, May, 1935, p. 1174.

excise tax on sugar, particularly in respect to industries using sugar as a raw material and through regulations restricting the use of substitutes for sugar in confectionary products. The corporation also recommended that in order to bring about the production domestically of all necessary beet seed, a Consortium should be chartered to represent the National Consortium of Sugar Producers and the National Association of Beet Cultivators. The Consortium would have power to issue licenses for the production of beet seed, to regulate such production and to have a trade mark, which would indicate that its product alone was legal. On the question involved in the relations between the sugar industry and industries consuming sugar and in the matter of the control of sales prices of sugar the corporation took note of the anticipated action of the government in setting a legal price for sugar and determined to postpone consideration of these matters but recommended that the proper syndical authorities should draw up an economic agreement on the subject.<sup>8</sup>

The Central Corporative Committee took note of the first of these resolutions to the extent of recommending continuance of the existing fiscal privileges of the marmalade industry but took no action upon the other matters covered by the resolutions of the corporation.<sup>9</sup>

The institutional pattern in which the corporations operate is shown by the proceedings of the Beets and Sugar Corporation. The formulation of enforceable rules was relatively rare during the first series of sessions of the councils of corporations. Six regulations of economic relations and one tariff of professional fees were adopted under the rule-making powers of the corporations. In addition, the corporations passed upon eight collective economic agreements and transmitted them for the final action of the Central Corporative Committee.<sup>10</sup> By far

8 *Sindacato e Corporazione*, April, 1935, pp. 928-929.

9 *Sindacato e Corporazione*, May, 1935, p. 1174.

10 The reports of the first series of meetings of the councils of the

the greater part of the activities of the corporations consisted in the consideration of economic and business questions on which no action of a regulatory nature was taken. About 140 separate resolutions, many of considerable length, were passed by the different corporations for the expression of views regarding trade practices or for the recommendation of action which the corporations wished other governmental or syndical agencies to take. Thus it is apparent that the functions performed by the first meetings of the corporations were predominantly non-regulatory in character and it may be supposed that their chief effect lay in the informal " understandings " already referred to in connection with the sections of the National Council of Corporations.<sup>11</sup>

As to the exercise of the corporative rule-making power, the single professional tariff adopted, which related to the fees charged by physicians, was approved by the Corporation of Professions and Arts. Three sets of regulations relating to the economic relations between 1. theatre managements and companies of players, 2. cinema theatre managements and companies of vaudeville players, giving performances before the showing of films, and 3. between renters of films and cinema theatre managements were approved by the Central Corporative Committee in January, 1936, and are ascribed to the Corporation of the Stage though the report of the proceedings of that corporation, like that of the Corporation of Beets and Sugar, contains no reference to the adoption of such regulations. In the case of the other two sets of regulations relating 1. to apprenticeship in the clothing industry and 2. to work done at home in the clothing industry, the record indicates that the council of the Clothing Corporation adopted the texts concerned. These five sets of regulations together with the Rules

corporations, together with those of the meetings of the Central Corporative Committee during the same period, are contained in *Sindacato e Corporazione*, volumes 63-66 (1935-1936).

<sup>11</sup> See above, p. 153.

on the Cultivation of Sugar Beets and the schedule of physicians' fees constitute the seven quasi-legislative acts that may be ascribed to the first cycle of meetings of the corporations.

The collective economic agreements passed upon by the various corporations were the following:

<i>Corporation</i>	<i>Subject of Agreement</i>
Profession and Arts	Relations between agricultural technicians and veterinarians
Extractive Industry	Prices and sales conditions of marble
Chemistry	Advertising gifts in the shoe polish trade
Beets and Sugar	Retail and wholesale prices of sugar (two agreements)
Paper and the Press	Relations between publishers and booksellers
Paper and the Press	Establishment of a standard form of contract between authors and publishers
Animal Industries and Fishing	Provision of milk to the city of Rome

In all cases other than that of the agreements relating to the price of sugar the record indicates that the agreement was approved by the corporation concerned. The sugar agreements were made on the basis of recommendations adopted by the Beets and Sugar Corporation but were approved directly by the Central Corporative Committee in January, 1936, without further action by the Corporation.

Among the matters recurring frequently in the resolutions passed by the various corporative councils during their first series of sessions were arrangements for the partial or complete substitution of domestic products for those formerly imported, a procedure in line with the aim of economic autarchy



emphasized by the Régime especially after the imposition of sanctions by the League of Nations during the Ethiopian War. No useful purpose would be served in this study of political institutions by recounting at length the proceedings of the various separate corporations since the discussion of numerous extraneous technicalities of business practice in the various branches of production would be unavoidable and since the institutional pattern is adequately portrayed in the account already presented of the deliberations of the Beets and Sugar Corporation. The second cycle of meetings of the councils of the various corporations began with the session of the Beets and Sugar Corporation in October, 1936. It does not appear that the manner of conducting these sessions or the nature of the business transacted presents any significant departure from the precedents of the first series of sessions.<sup>12</sup>

In the succession of meetings held by the councils of the twenty-two corporations a greater impression of action and of spontaneity is given, perhaps in part because of the multiplicity of the separate organs involved, than arises from sessions of the older corporative bodies, the National Council of Corporations and the Fascist Chamber of Deputies. Persons intimately acquainted with the industries and firms which they represented were present at the sessions of the various corporative councils and discussed the economic problems with which their lines of activity were burdened. They consulted and came to agreements on matters of common concern probably in the same manner as they had been accustomed to do in the past and would do in the future outside the institutional framework of a governmental body. Some of their mutual arrangements now took the form of regulations sanctioned by the State and probably in return they took some actions through political considerations. The important question of the influence exerted

<sup>12</sup> See *Sindacato e Corporazione*, v. 66 (1936), pp. 280-284 for the second session of the Beets and Sugar Corporation and subsequent numbers for the meetings of other corporations in the second cycle.

by the delegates of the workers' syndicates in the councils of the corporations and that of the definiteness with which governmental pressure determined the course of the proceedings cannot be answered on the basis of the fragmentary official records of discussion, but the nature of the resolutions adopted point to a predominance of the businessman's concerns in the agenda of the corporative sessions. While it is unlikely that the existence of the corporations changes significantly the nature of the machinery of the Fascist state as shown in its earlier and more developed syndical and political institutions, their function in the simplification of administrative contacts with economic interests, of necessity subject to state regulation in an economy such as that of present-day Italy, may facilitate to a considerable extent a part of the tasks of the administrators of the Régime.



## APPENDIX

### LIST OF LEGAL AND DOCUMENTARY SOURCES

1. *Raccolta ufficiale delle leggi e dei decreti del Regno d' Italia*. Rome. Istituto Poligrafico dello Stato. Annually from 1861. The official collection of Italian legislation.
2. *Lex, Legislazione Italiana, raccolta cronologica con richiami alle leggi attinenti e ricchi indici semestriali e annuali*. Turin. Unione Tipografico-Editrice Torinese. Annually from 1915. A privately published collection of Italian legislation, often superior to the official edition in cross-references to statutes amended or repealed.
3. *Gazzetta Ufficiale del Regno d'Italia*. Rome. Istituto Poligrafico dello Stato. The official serial publication of laws, decrees, and other official documents.
4. Istituto Nazionale Fascista di Cultura, *Legislazione e Ordinamento Sindacale Corporativo*. Rome, 1934. Useful collection of selected documents relating to the "corporative state."
5. Ministero delle Corporazioni, *Sindacato e Corporazione*. Rome. Monthly. Official bulletin of Ministry of Corporations.
6. *Atti Parlamentari*. Rome. In occasional sheafs and periodically in bound volumes. The official proceedings, documents, etc. of the Italian Parliament. Separate volumes for the two chambers, marked "*discussioni*," contain the debates.
7. Segretaria del Senato, Segretaria della Camera dei Deputati. *Bollettino Parlamentare*. Rome. Irregularly from 1927. Collections of speeches, statistics, Italian and foreign documents issued by the two chambers.
8. Istituto Centrale di Statistica. *Annuario Statistico*. Rome. In annual volumes. The official Italian statistical compendium.





## INDEX

- "Arbitrary invasion and occupation of premises," crime, 98; *see also*, "Crimes against the order of labor."
- Assembly of the Corporations, *see*, National Assembly of the Corporations; National Council of Corporations, general assembly; "Chamber of *Fasci* and Corporations"
- Boycott, crime, 97; *see also*, "Crimes against the order of labor"
- Category, 72
- Central Corporative Committee, 29, 151-152, 195, 198-200
- Chamber of Deputies, 29-33, 56-58; election of, 30-33; proceedings, 34-47, 55, 184-186; votes in, 38, 42, 47; *see also*, Parliament
- "Chamber of *Fasci* and Corporations," 148
- Charter of Labor, 61-62, 69-70, 102-103
- Chigi Palace (Pact of), 62
- Collective economic agreements, 75, 83, 151, 187, 201
- Collective labor contracts, 63-64, 75, 77, 83, 100-117; "completing contracts," 104; effect of, 100-101; examples, 104-111; form of, 101; government approval, 102; how made, 100-101, 103-104; quasi-legislative character, 100; requirements as to content, 102-103; statistics, 117; workers' representation, 117, 112-113; work-sharing agreements, 107-117; *see also*, Syndical organizations; Collective labor controversies
- Collective labor controversies, 118-123; courts having jurisdiction over, 119; establishment of new labor conditions, 120; examples, 121-123; parties in, 120; prior conciliation, 121; quasi-legislative character, 123; revision of existing contracts, 121; statistics, 118-119
- Confederations (syndical), 72-73
- Corporations (Fascist), 61, 137-139; activities of, 194-203; Beets and Sugar Corporation, 194-199; collective economic agreements ratified by, 201; debate in National Council of Corporations on, 162-182; earlier use of term "corporation", 138; establishment of present corporations, 155; first corporation (of Stage), 154-155; form of organization, 189-190; functions of, 138; law of February 5, 1934, on, 186-188; list and classification of, 188-189; membership of councils of, 190-192; "National Assembly" of, 148, 193; report of Central Corporative Committee on, 156-161; resolution of National Council of Corporations on, 175-176; rule-making by, 200-201; subjects considered by councils of, 201-202; *see also*, Corporative organizations
- Corporative organizations, list, 137; *see also*, Corporations (Fascist); National Council of Corporations; National Assembly of the Corporations; Provincial Councils of Corporative Economy; "Chamber of *Fasci* and Corporations"; Corporativism (Fascist)
- Corporativism (Fascist), 61, 137; *see also*, Corporative organizations
- Council of Corporations, *see*, National Council of Corporations
- Councils of Corporative Economy, *see*, Provincial Councils of Corporative Economy
- "Crimes against the order of labor", 97
- Decrees and decree-laws, 21-22, 30, 33-34, 56
- Deliberative bodies, 29
- Economic agreements, collective, 75, 83, 151, 187, 201
- "Economic relations", 137
- Electoral law, of 1923, 11; of 1928, 30-33
- Employment exchanges, 142-143

- Fasci di combattimento*, 8, 23
- Fascism, change in program, 8-9; characteristics, 7; consolidation of power, 13; distinctive institutions, 13, 61; doctrine, 13-16; foundation of Milan *fascio*, 8; seizure of power, 13; terrorist activities, 8
- Fascist Party, 23-28; activities of *fasci*, 27-28; as *cadre* organization, 27; foundation of, 9; *fasci di combattimento*, 8, 13; Grand Council, 24-26, 31; internal organization, 23-24; militia, 10, 24; nature of, 23; youth groups, 28; *see also*, Fascism
- Federations, Fascist Party, 23; syndical, 72-73
- Grand Council of Fascism, 24-26, 31
- Head of the Government (office), 19-23; executive powers, 20; legislative control by, 21; penalties for attack on, 22
- Individual labor controversies, 124, 129-133; nature of, 124; prior conciliation, 130-131; scope of, 129-130; significance in enforcing collective contracts, 129; suits brought after discharge, 131-132; unequal position of parties, 129; *see also*, Labor conditions (enforcement of)
- Interprovincial syndicates, 73
- Interprovincial unions (syndical), 73-74
- "Juridical relations", 137
- Labor conditions (enforcement of), 124-132; criminal prosecution, 124, 126-128; employer's plea of ignorance, 126-127; frequency of violations, 125; representations to employer's syndicate, 125; *see also*, Individual labor controversies
- Labor contracts, *see*, Collective labor contracts
- Labor controversies, *see*, Collective labor controversies
- Labor relations, criminal code, 96-98; strikes and lockouts, 98-99; *see*, Syndical organizations
- Lockout, a crime, 97; statistics, 98-99
- Magistracy of Labor, 119-121; *see also*, Collective labor controversies
- Matteotti crisis, 12
- National Assembly of the Corporations, 148, 193; *see also*, National Council of Corporations, general assembly; "Chamber of *Fasci* and Corporations"
- National Council of Corporations, 144-153; Central Corporative Committee, 151-152; functions of, 150-151; general assembly of, 146-147; powers of president, 148-150; proceedings, 152-153, 162-182
- National syndicates, 73
- Parliament, 29-58; character of proceedings of, 56-58; committees of, 57-58; composition of, 30; government bills in, 56; interrogations in, 37-8, 43, 58; legal restrictions on, 30; legal sovereignty of, 30; private members' bills in, 56-57; proceedings of, 33-58; *see also*, Senate; Chamber of Deputies
- Popolo d'Italia*, 8
- Provincial Councils of Corporative Economy, 138-142
- Provincial syndicates, 73-74
- Provincial unions (syndical), 73-74
- Senate, 29-30, 56-58; proceedings, 47-55, 183-184; votes in, 50, 51, 54; *see also*, Parliament
- Shop committees, 62
- Sovereignty (legal), 30
- Statutes, 30
- Strike, a crime, 97; statistics, 98-99
- Suffrage (qualifications), 32
- Syndical law of April 3, 1926, 63
- Syndical organizations (official), 61-136; by-laws, 75-86; confederations, 72-73; directing officers, 68, 78-80; disciplinary powers, 76, 83-84, 88; dues, 65-66; elections, 88, 91; excluded groups, 64-65; exclusive jurisdictions, 63; federations, 72-73; finances, 77-78; government control, 65, 68-69, 89, 91-92; government ratification of elections, 89; government recognition, 63; how originally established, 70; membership control, 90; membership qualifications, 67; organs of administration, 78-83; present groupings, 71-72, 86-87; qualifications for government re-

- cognition, 65; reorganization in 1934, 71, 74-75; representative character, 94-95; staff, 92-94; *see also*, Syndicalism (Fascist); Syndicates
- Syndicalism (Fascist), 61, 123-124, 137; *see also*, Syndical organizations (official)
- Syndicates (official); *see*, Syndical Organizations; Provincial Syndicates; Interprovincial Syndicates; Provincial Unions; Interprovincial Unions; National Syndicates
- Vidoni Palace (Pact of), 62
- Work-sharing Agreements, 107-117; as example of syndical representation, 112-113; incidence of burden, 109, 112-113; inspiration, 107-108; objectives, 108; results, 116