

Contemporary Crisis and Workers' Control

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During the first decade of the current century factory occupations and production under workers' control seemed to be limited mainly to South America, with a few exceptions in Asia. It was beyond the imagination of most workers and scholars in industrialized countries that workers would or could occupy their companies and run them on their own. Nevertheless, the crisis that started in 2008 put workers' control back on the agenda in the northern hemisphere. Occupations of workplaces and production under control of workers sprang up in the United States, Western Europe and Egypt. This chapter describes some of these struggles and their common characteristics and differences. The crisis since 2008 triggered more factory occupations and workers' takeovers in Latin America; in Buenos Aires alone the number of companies under worker control grew from 28 in 2009 to 50 in 2013.

In the course of the current crisis, factory occupations occurred throughout Europe, especially in France, Italy and Spain, but also in other countries, including Switzerland and Germany, and in the US and Canada. Nevertheless, in most cases the occupation was a means of struggle and not a step toward workers' control. In some better organized cases workers achieved their demands, in others the occupations were a result of spontaneous indignation over factory closure or mass dismissals and the struggles fell apart without any concrete results. But for the first time in decades several struggles were also carried out with the perspective of production under workers' control. Some of these struggles gained a little international attention, like Republic Windows and Doors factory in Chicago, USA, which opened in early 2013 under worker control, or Vio.Me in Thessaloniki, Greece (see chapter 11). Some, as with the French Fralib Tea factory in Gémenos (France) gained at least some national interest. Most cases, however, are not at all well known, such as Officine Zero in Rome and Ri-Mafflow in Milan (Italy), Kazova Tekstil factory in Istanbul (Turkey) or Kouta Steel Factory, Tenth of Ramadan City (Egypt). It is likely that more struggles for worker control, for a self-administered work place, are taking place which remain almost unknown to the wider public.

Compared to other historical moments when factory take overs and workers' control were part of offensive struggles, the new occupations and recuperations develop out of

defensive situations. However, this has been true since the neoliberal attack on workers in the early 1980s, with very few exceptions like the recent struggles for worker control in Venezuela. As consequence of the crisis, occupations and recuperations are accomplished by workers in reaction to closure of their production site or company, or relocation of production to a different country. Workers try to defend their workplaces because they have little reason to hope for a new job. In this defensive situation, the workers not only protest or resign; they take the initiative and become protagonists. In the struggle and on the production site they build horizontal social relations and adopt mechanisms of direct democracy and collective decision-making. The recuperated work places often reinvent themselves. The workplaces also build ties with nearby communities and other movements.

This description already includes certain criteria not necessarily shared by all workers' takeover of companies. While in fact it is fundamental to recognize the diversity of situations, contexts and modalities of workers' controlled companies, it is nevertheless important to understand workers' control or recuperation of work places as a socio-political operation and not as a mere economic procedure. Therefore it is necessary to have some basic criteria when discussing recuperated companies. Some well-intentioned authors calculate 150 recuperated work places under worker control in Europe (Troisi 2013). A closer look shows that very few of these can really be considered "recuperated" and under worker control. That count includes all workers' buy outs of which most at best adopted the structure and functioning of traditional cooperatives. Many, if not most, have internal hierarchies and individual property shares. In the worst cases we find unequal share distribution according to the company's social hierarchy (and therefore economic power) or even external investors and share holders (individuals and major companies). Such reckoning reduces the concept of recuperation to the continued existence of a company originally destined to close and merely changing ownership from one to many owners, some of whom work in the company. Companies following these schemes can hardly be considered "recuperated" in that they do not provide a different perspective on how society and production should be organized.

That contemporary worker-controlled companies almost always have the legal form of cooperatives is because the cooperative form is the only existing legal form of collective

ownership and collective administration of workplaces. Usually, however, these are based on collective ownership, without any option of individual property; all workers have equal shares and equal voice. It is an important and distinctive characteristic that they question private ownership of means of production. They provide an alternative to capitalism based essentially on the idea of a collective or social form of ownership. Enterprises are seen not as privately owned (belonging to individuals or groups of shareholders), but as social property or “common property” managed directly and democratically by those most affected by them. Under different circumstances, this might include, along with workers, participation by communities, consumers, other workplaces, or even some instance of the state (for example in countries like Venezuela or Cuba). That workers’ control the production process and are decisive in decision-making, usually also turns them into social and political agents beyond the production process and the company (Malabarba 2013, 147).

Moreover, as Gigi Malabarba underlines:

“It is essential that the forms of cooperative self administration are strictly situated in a frame of a conflictive dynamic, in syntonny with the whole social struggles, starting with workers’ struggles with pugnacious union militants: This struggle cannot be isolated. We cannot stop thinking to be part of a more complex classist front. How should we be able to achieve alone a law that really makes it possible to expropriate occupied spaces to give them a social use? Or in other words: how can we build social and political balances of power in order to stand up against the dictatorship of capital and achieve some results? This is the only way self administrated cooperatives and economic spheres based on solidarity can play a role in favor of workers’ cohesion and prefigure an end of exploitation by capital, showing the contradictions of the system. This is especially the case in a period of deep structural crisis like the contemporary” (Malabarba 2013, 148).

All following examples of factories recuperated during the crisis correspond to these modalities.

Recuperated factories in France

Two cases of recuperated factories occupied by workers during the current crisis are known due to their persistent struggles. One is the Pilpa Ice Cream Factory and the other is the Fralib Tea Factory. Both were closed by their huge multinational owners to relocate production.

Pilpa – La Fabrique du Sud

Pilpa was an ice cream producing company with 40 years of history in Carcassonne, near Narbonne, in southern France. It used to belong to the huge agricultural cooperative 3A, which sold its ice cream as different famous brands, among them the large French grocery store chain Carrefour. In September 2011, the plant was sold by 3A due to financial difficulties. The buyer, ice cream manufacturer R&R (belonging to US investment fund Oaktree Capital Management) was only interested in owning the famous brand names to add value to R&R (which would be sold by the investment fund in April 2013). In July 2012, R&R announced Pilpa would close and production relocated, with dismissal of 113 workers. The workers resisted, occupied the plant and started organizing a solidarity movement. Their goal was to save the production site (Borrits 2014).

The workers set up 24-hour surveillance to prevent the owner from dismantling the factory and removing the equipment. In December 2012 the workers gained a court declaring the proposed R&R job protection plan and workers' pay out "inadequate." While R&R formulated a new proposal, 27 workers decided on a plan to turn the former Pilpa into a worker owned and worker controlled cooperative under the name "Fabrique du Sud" (Factory of the South).

The new owner of R&R finally agreed in late spring 2013 to pay all workers between 14 and 37 months' gross salaries and €6,000 for job training. Moreover it agreed to pay the cooperative more than €1 million in financial and technical assistance for job training and market analysis and hand over the machines for one production line, with the condition that Fabrique du Sud would not operate in the same market. The municipality of Carcassonne agreed to buy the land upon which the factory is built (Borrits 2014). As former Pilpa worker and Fabrique du Sud founder, Rachid Ait Ouaki, explains, it was not a problem to agree not to operate in the same market:

“We will produce ice cream and yogurt, both eco-friendly and of higher quality. We will use only regional ingredients – from milk to fruit – and also distribute our production locally. At the same time, we will keep prices for consumers low. We will not be producing 23 million liters annually as Pilpa did, but only the 2-3 million liters we can distribute locally. We also have only 21 of the original workers who joined the cooperative, since we have to put even more money into it, including raising our unemployment benefits through a program for business creation, and not everyone wanted to take that risk”.¹

As in other cases, the cooperative is the legal form the worker controlled company had to take. Decisions are made by all the workers together and benefits will be distributed equally among the workers, once production starts in early 2014.

Fralib – the brand with the Elephant

Fralib is an herb and fruit tea processing and packaging factory in Gémenos, near Marseille. The plant produced the tea sold under the famous *Thé Eléphant* brand created 120 years ago, as well as Lipton tea. In September 2010, transnational food giant Unilever, owner of Lipton, decided to close the plant in France and move production to Poland. The workers reacted immediately, occupying the factory and beginning a boycott campaign against Unilever. The union Confédération générale du travail (CGT), formerly close to the Communist Party, supported the Fralib workers. “The struggle at Fralib started on September 28 2010. In 2010 we had 182 workers. Now we are 76 workers and still fighting,” comments Gérard Cazorla², mechanic and union secretary at Fralib. The workers want to restart production in the factory under workers’ control and retain the *Thé Eléphant brand*, claiming it as regional cultural heritage. They want to switch to producing organic herbal teas, mainly linden tea, relying on regional production. As in most other cases, the self-organized struggle of the Fralib workers has three pillars: the project for production, public protest and construction of a solidarity campaign, and the legal struggle against Unilever.

¹ Author interview, January 30, 2014.

² Author interview, January 31, 2014.

“We have militant production to make our struggle known and to support the solidarity campaign. We went through a long period without income and we had to live. What allowed us to live all that time was solidarity. I think it is important to make our struggle known in France, in Europe and in the world, and our production helps us. While our prior production was –let’s say– industrial tea, now we produce organic linden tea. With that we show that the machines work and that we know how to make this factory work. That is important so the people can see that Fralib can work without bosses and without Unilever.”³

On January 31 and February 1, 2014 Fralib housed the first European Meeting of “The Economy of the Workers”. More than 200 researchers, supporters and workers from five European factories under worker control participated in the meeting inspired by and directly linked to the world meeting of “The Economy of the Workers,” which takes place every two years and had its third meeting in Brazil in 2013. Researchers from Argentina, Mexico and Brazil also participated in Marseille, as did a worker from the Argentinean textile factory Pigüé. In honor of the meeting and with a nod to the Argentine movement of recuperated factories, the Fralib workers produced boxes of Argentine mate tea.

The workers accomplished that closing procedures and social plans were revoked several times by court order. Fralib closed officially only in September 2012. In March 2013 Unilever stopped paying the workers’ wages despite a court decision that Unilever had to continue paying them. In September 2013 the Urban Community of Marseille Provence Métropole bought the land upon which the factory is built for €5.3 million and paid one symbolic euro for the machines in order to support the workers’ efforts. The workers know this is not enough to restart production and continue their struggle, as Cazorla explains:

“In January 2014 Unilever’s social plan was revoked for the third time by the court. Now we are discussing with the Unilever directors while we are building our project. We need the rights to the brand, capital to buy raw material and ability able to sell our products or we will not be able to produce and pay 76 workers. We want that money from Unilever as compensation for firing us”⁴.

³ Gérard Cazorla, author interview, January 31, 2014.

⁴ Author interview, January 31, 2014.

Italy: Officine Zero and Ri-Maflow

In Italy some 30-40 bankrupt small and medium enterprises have been bought out by their workers during recent years and turned into cooperatives. Even if some media compare them to the Argentine cases (Blicero 2013; Occorsio 2013), many are neither really under full and collective workers' control nor do they in any way envision an alternative to the capitalist system. The cooperatives work with a hierarchical structure and the change of the number of owners does not make a difference in how they function. Some even have only a minority of shares in workers' hands, while the majority is controlled by external investors and the managerial staff. Two recent cases, Officine Zero in Rome and Ri-Maflow in Milan, are different and fully comparable to many Latin American cases of workers' take over.

Officine Zero

Officine Zero, former RSI (Rail Service Italia) and before that Wagons-Lits⁵ (from France), dedicated itself to maintenance and repair of sleeping cars. When in December 2011 Italian train services decided to stop night train service and invest in fast track trains, RSI closed. The work force at that moment was formed by 33 metal workers and 26 transport and administration workers. All started to be paid a special low unemployment income due to the abrupt closing of their company. But not all accepted the closing; 20 workers take up the struggle. Emiliano Angelè, who had worked since 2001 as train mechanic for the company and was the union leader, explains:

“When we saw that all seemed lost since we didn't have any trains to build or repair, we locked ourselves inside the factory and occupied it in February 2012 as a first protest. But it was not of any use because we did not have any work to do, so we tried different responses... traditional demonstrations, relations with politicians, with the union... but all that did not

⁵ Compagnie Internationale des Wagons-Lits (International Sleeping-Car Company), commonly called just Wagons-Lits, is Europe's oldest on-train catering, sleeping car and luxury train cars company. It was founded in 1872 and was the historical operator of the Orient Express. 1991 it became part of the French trans-national Hotel group Accor.

bring us back to work. Right next to our company there is a social center. They saw us protesting and offered their support for our struggle. For a while they supported us trying to get back to work in our branch. But after a while they asked us if the company's facilities couldn't be used for something else. We did not really know what for, but they presented an alternative idea based on the Argentinean experiences, where machines or facilities were used to produce or work something different than before. September 2012 we started working again; we have equipment for carpentry, upholstery, welding etc. with welding equipment you do not have to necessarily weld a train, you can weld anything... the upholsterer, for example, who previously worked on the insides of trains, is now working on the interior of a boat. That is how we started putting us back to work".⁶

Together with the activists from the social center, "Strike", the workers started a "laboratory on reconversion," organizing public assemblies attended by hundreds of people. The "crazy idea" of the Officine Zero was born. Precarious workers, independent workers, craftsmen, professionals and students joined the occupation. On June 2, 2013, Officine Zero was officially founded as an "eco-social" factory and presented to the public with a conference and demonstration. Officine Zero means zero workshops: "zero bosses, zero exploitation, zero pollution," as their new slogan says. The name also points out that they had to find a new starting point. The former RSI workers dedicate themselves mainly to recycling of domestic appliances, computers and furniture. The mixture between old and new work forms, bringing together different precarious work situations, trying to overcome isolation and individualization is an important core idea of the project, as Emiliano Angelè again explains:

"In the former administration offices we built a co-working area. Architects, communication workers, filmmakers and others have their offices there and all cooperate with each other and with the workers. For example, I used to be a mechanic, but now I might help my colleague upholster the boat's interior and I also have access to work with these new forms. Moreover, we have opened a cafeteria in the former staff canteen, it is for all the people

⁶ Author interview, January 31, 2014.

working there and for whoever wants to come from outside. That is the new project we call Officine Zero. It is a project with the goal not only to recuperate the workers that used to work there, but also to open the space to other workers and other forms of work.”⁷

The former company director’s house, located on the factory grounds, is under construction to be transformed into a student dormitory (Mastrandrea 2013). The workers are planning to give workshops on recycling of electronic equipment and renewable energies. (Blicero 2013).

From Maflow to Ri-Maflow

The Maflow plant in Trezzano sul Naviglio, industrial periphery of Milan, was part of the Italian transnational car parts producer Maflow, which advanced in the 1990s to one of the most important manufacturers of air conditioning tubes worldwide with 23 production sites in different countries. Far from suffering consequences of the crisis and with enough clients to keep all plants producing, Maflow was put under forced administration by the courts in 2009 because of fraudulent handling of finances and fraudulent bankruptcy. The 330 workers of the plant in Milan, Maflow’s main production facility, began a struggle to reopen the plant and keep their jobs. In the course of the struggle they occupied the plant and held spectacular protests on the plant’s roof. Because of their struggle Maflow was offered to new investors only as a package including the main plant in Milan. In October 2010 the whole Maflow group was sold to the Polish investment group Boryszew. The new owner reduced the staff to 80 workers. 250 workers passed to a special income redundancy fund.⁸ But even so the new investor never restarted production and after the two years required by the law preventing him from closing a company bought under these circumstances, in December 2012 the Boryszew group closed the Maflow plant in Milan. Before closing it removed most machinery (Blicero 2013, Occorso 2013 and Massimo Lettiere⁹).

⁷ Author interview, January 31, 2014.

⁸ The Cassa integrazione guadagni straordinaria, CIGS is a redundancy arrangement under which workers of closed down companies receive 80% of their salary for one year, in certain cases it can be extended one more year.

⁹ Author interview, January 31, 2014.

A group of workers in redundancy had kept in touch and was unwilling to give up. Massimo Lettiere, former Maflow worker and union delegate of the leftist and radical rank and file union Confederazione Unitaria di Base (CUB) explains:

“We went on organizing assemblies from the Boryszew take-over. In some of the assemblies we talked about the possibility of taking the plant and doing some work inside. We did not know exactly what kind of work we could do, but we understood that after so much time of redundancy, the next stage would be unemployment. Therefore we did not have any option and we had to try it. In the summer of 2012 we had already done some market studies and determined that we would set up a cooperative for recycling of computers, industrial machines, and domestic and kitchen appliances”.¹⁰

When the plant was closed in December 2012, the workers occupied the square in front of their former factory and in February 2013 they went inside and occupied the plant, together with precarious workers and former workers of a nearby factory shut down after fraudulent bankruptcy:

“To stand and wait for someone to give you a hand is worthless. We must take possession of the goods that others have abandoned. I am unemployed. I cannot invest the money to start a business. But I can take a factory building that has been abandoned and create an activity. So our first real investment for the project is activity and political action. We made a political choice. And from there we started working”.¹¹

In March 2013, the cooperative Ri-Maflow was officially constituted. Meanwhile the factory building passed to the Unicredito Bank. After the occupation Unicredito agreed to not request eviction and permitted them free use of the building. The 20 workers participating full time in the project completely reinvented themselves and the factory, as Lettiere describes:

“We started building a broader network. We had the cooperative ‘Ri-Maflow’ with the goal of recycling as the economic activity. In order to gather money we built the association ‘Occupy Maflow’, which organized

¹⁰ Author interview, January 31, 2014.

¹¹ Massimo Lettiere, Ri-Maflow, Milan, author interview, January 31, 2014.

spaces and activities in the plant. We have a flea market in one hall, we opened a bar, we organize concerts and theater... we have a co-working area with offices we rent. With all that we started having a little income and we could buy a transporter and a pallet carrier for the cooperative, refit the electricity network and pay us some €300-€400 each a month. It was not much, but added to €800 unemployment you have almost a normal salary...

In 2014 we want to work on a larger scale with the cooperative. We have two projects we already started and both are linked to questions of ecology and sustainability. We have built alliances with local organic agricultural producers, opened a group for solidarity shopping and have contacted the agricultural cooperatives from Rosarno, Calabria, Southern Italy. They are cooperatives paying fair wages. Three or four years ago there was a rebellion of migrant workers in Rosarno. They stood up against exploitation. We buy oranges from these cooperatives and sell them and we produce orange and lemon liqueur. We are also connected with a group of engineers from the Polytechnic University to make huge recycling projects. It might take some years until we get all necessary permits. We chose this kind of activity for ecological reasons, reduction of waste etc. and we have already started recycling computers, which is easy, but we want to do it on a bigger scale.”¹²

What can seem like a patchwork to traditional economists is in fact a socially and ecologically useful transformation of the factory with a complex approach based mainly on three premises: “a) solidarity, equality and self-organization among all members; b) conflictive relationship with the public and private counterparts; c) participation in and promotion of general struggles for work, income and rights” (Malabarba 2013, 143).

Greece: Vio.Me from industrial glue to organic cleaners

Vio.Me in Thessaloniki used to produce industrial glue, insulant and various other chemically produced building materials. Since 2010 the workers agreed to be sent on unpaid leave every four to six weeks. Then the owners started reducing the workers’ wages, but

¹² Author interview, January 31, 2014.

assured them it was only a temporary measure and they would soon be paid the missing salaries. The owners' main argument was that profits had fallen 15 to 20 percent. When the owners did not keep their promise to pay the unpaid back wages, the workers went on strike demanding to be paid. As a response to their struggle the owners simply gave up the factory in May 2011, leaving 70 unpaid workers behind. Later the workers found out that the company was still making profits and the "losses" were due to a loan that Vio.Me formally granted to the mother firm Philkeram Johnsons. In July 2011 the workers decided to occupy the plant and take their future in their own hands (see chapter 10 on Greece for more details on Vio.Me in? context). As Vio.Me-worker Makis Anagnostou, Thessaloniki explains:

"When the factory was abandoned by the owners we first tried to negotiate with the politicians and the union bureaucracy. But we understood quickly that the only thing we were doing was wasting our time and slowing down the struggle. It was a difficult time; the crisis was showing sudden and intense effects. The suicide rate among workers in Greece rose a lot and we were worried that some of our fellow workers might commit suicide. Therefore we decided to open our labor conflict to society as a whole and the people became our allies. We discovered that the people we thought could not do anything in reality can do it all! Many workers did not agree with us or did not continue the struggle for other reasons. Among those of us who we took up the struggle, the common ground for our work is equality, participation and trust."¹³

Vio.Me became known internationally and inspired several other workers' occupations in Greece, even if none was successful at keeping the workplace and/or production. The case best known internationally was the state-owned public broadcasting company, ERT (Ellinikí Radiofonía Tileóراسi). After the government announced on June 11, 2013 that all public TV and radio stations would be closed (to be restructured and reopened with fewer workers, fewer rights and lower wages) workers and employees occupied the radio and produced their own program until they were brutally evicted on September 5.

¹³ Author interview, January 31, 2014.

The Vio.Me workers restarted production in February 2013.

“Now we produce organic cleanser not the industrial glue we produced before. Distribution is informal, we sell our products ourselves at markets, fairs and festivals, and a lot of products are distributed through the movements, social centers and shops that are part of the movements. What we did last year is basically keep the factory active. We cannot yet say we have had a very positive outcome regarding production, distribution and sales. Earnings are quite low and not enough to maintain all the workers. Therefore some workers have lost faith, or got tired and left Vio.Me. Recently our assembly decided unanimously to legalize our status by building a cooperative. The decision again gave us an impulse to continue. We are 20 workers who signed the foundation act of the cooperative, but there are more waiting to see how things go. In the structure of the cooperative we also created the figure of ‘the solidarity supporter’, who is not a member of the cooperative as such, but supports the cooperative financially in exchange for our products. The solidarity supporter can participate in the workers’ assembly and has an advisory vote in decision-making. They pay a minimum €3 a month and with that we pay the basic costs of the factory, like electricity and water. Having the society by our side through this construction we feel stronger”.¹⁴

Turkey: Kazova Tekstil – high quality sweaters for the people

Kazova Tekstil is a textile factory in Istanbul, Turkey, in the Şişli district close to the famous Taksim Square. In late 2012 the owners explained to the 94 workers that they were passing through momentary financial problems and asked them to continue working even if their salaries could not be paid on time; they would get all their salaries paid later (Söylemez 2014). The workers continued working another four months and on January 31, 2013 they were given an unpaid one-week long holiday by the owners. When they returned they found an almost empty factory. The owners, the Sumunçu family, had removed machines, 100.000 sweaters and 40 tons of raw material, and left the workers not only without jobs, but also

¹⁴ Author interview, January 30, 2014.

with four months of unpaid wages (Umul 2013). Eleven of the 94 workers did not resign and decided to resist. They started marching every Saturday in the Istanbul city centre with other workers demanding unpaid wages and respect for workers' rights (Erbey/Eipeldauer 2013, Söylemez 2014).

In April the workers decided to set up a protest camp with tents in front of the factory to prevent the owners from taking away the rest of the machines. In May their demonstration was attacked by the police with tear gas and water cannons, at the end of the same month the Gezi resistance movement started and gave the Kazova workers strength and courage. The workers also participated in different assemblies and discussion groups and found huge support in the movement. Since they still had no response from the owners or the authorities, they began preparing the occupation of the facilities and on June 28 they declared publicly: "We – the workers of the Kazova textile factory – have occupied the factory" (Söylemez 2014; Umul 2013). The workers prepared the factory for production and repaired three machines.

On September 14, 2013, the Kazova workers started producing sweaters and jerseys with leftover material. Each had a small label explaining "This is a product of the Kazova resistance!" (Söylemez 2013; Umul 2013). The production capacity at this point was 200 pieces a day. Production cost for one sweater or jersey was around 20 Turkish Lira (approximately €7 or \$10). Under the former owners the high quality sweaters and jerseys were sold for prices between 150 und 300 Lira (€50-100 or \$68-135). But the workers decided to sell their high quality products so they were more affordable and sold them for 30 Lira (€11/\$15).

The Kazova workers started selling their products in front of the factory and in the different thematic and neighborhood assemblies established after the eviction of Gezi Park (Umul 2013). Nevertheless they were still not paying any salaries since they had to reinvest the money earned (Erbey/Eipeldauer). On September 28, Kazova organized a fashion show, but instead of skinny models the guests could see the workers themselves presenting their new production on the catwalk. After the fashion show, the famous Turkish communist band Grup Yorum gave a concert. A leftist journalist present at the show commented that it was a proletarian fashion show and that the proletarian's fashion was "occupy, resist,

produce” (Erbey/Eipeldauer 2013; Umul 2013). The same slogan is used by recuperated factories in Latin America and comes originally from the Brazilian landless movement MST.

In late October 2013, after 10 months of struggle, a court ruled that the former employers had to hand over the remaining machines to the workers instead of their unpaid salaries (Erbey/Eipeldauer 2013). The machines were transferred to new facilities rented by the workers in the Istanbul Kagithane neighborhood. That allowed the workers to start paying small salaries -, the same for everyone. The workers see themselves as part of a popular movement of resistance. And their identification is not limited to Turkey. As a sign of solidarity they produced jerseys for the Cuban and Basque Country soccer teams for a friendly game in Havana (Söylemez 2014). On January 25, 2014 the Kazova workers opened their first retail store: “Resist Kazova-DİH Pullover and Culture Store” in the Istanbul Şişli district, where the factory used to be, and which also serves as meeting place. “Affordable sweaters for the people,” is the Kazova slogan launched during the store’s inauguration. According to the Kazova workers other stores in Istanbul and the rest of the country are planned (Söylemez 2014).

Egypt: Steel and ceramics

In Egypt there are at least two factories under worker control: The Kouta Steel Factory in Tenth of Ramadan City, north of Cairo, and Cleopatra Ceramics, which has several thousand workers in two plants, one also in Tenth of Ramadan City and the second in Ain Sukhna. But it is not unlikely that there are more factories that followed their example during the last few years of turmoil of Hosni Mubarak’s overthrow, the transition time until the election of Mursi and the short period Mursi was in power before the military toppled him. The overthrow of Mubarak on January 25, 2011 was preceded by a growing independent workers’ movement organizing more and more strikes and labor conflicts since 2003 (Ali 2012). Workers’ struggles suffered severe repression under Mursi and under the military regime.

The Kouta Steel Factory in Tenth of Ramadan City was abandoned by its owner a few months after he stopped paying the workers in March 2012. Previously the workers at the plant had conducted several struggles and strikes through their independent union. When

the owner fled, the workers began a struggle that “included sit-ins and legal battles through the Prosecutor-General’s office and the Ministry of Labor. The struggle culminated with an epoch-making decision by the Prosecutor-General in August 2012 approving their right to place the factory under workers’ self-management and authorizing engineer Mohsen Saleh to manage the factory (Kouta Steel Factory Workers 2013). The workers built collective decision-making instances and elected a Technical Committee for the coordination of production.

To reassume production the workers had to negotiate with gas and electricity suppliers to reschedule the \$3.5 million debt left by the former owner. Moreover the workers, who had not been paid for months, had to cut their wages in half to buy production material. In April 2013 the Kouta Steel Factory started production under the workers’ Technical Committee’s management. Shortly before that they sent a solidarity letter to the workers of Vio.Me in Greece. (Kouta Steel Factory Workers 2013).

Cleopatra Ceramics is a tile factory formerly owned by Mohamed Abul-Enein, who belongs to the Egyptian elite close to former President Mubarak. He was even a member of parliament for Mubarak’s National Democratic Party. Abul-Enein, who was widely known as a ruthless employer, closed the two tile plants belonging to Cleopatra Ceramics without warning in July 2012. “When he reneged on agreements concluded after a factory occupation, workers travelled to Cairo, marched on the Presidential Palace and obtained a deal negotiated by Mursi. When this too unraveled, they stormed a government building in Suez, demanding punishment for Abul-Enein. Eventually they occupied the factory, resumed production on their own terms and sold their products directly to secure an income” (Marfleet 2013).

Chicago: New Era Windows

On May 9th, 2013, the New Era Windows cooperative on Chicago’s Southwest Side officially started production under worker control. It began with 17 workers producing “professional grade energy-efficient windows at a revolutionary price point”, as they say on their web site, and advise “Using energy-efficient windows is one affordable way to combat

those high energy bills and taking a step towards long term sustainability!”¹⁵ All decisions in the factory are made by the workers’ assembly, which meets at least once a week. Every worker has the same vote. Armando Robles, New Era Windows worker, president of union local UE 1110, and among the driving forces behind the struggle during the last 12 years, explains: “Right now things are slow but we know that in 2 or 3 weeks we will have lots of work. Now we are filling small orders and preparing the equipment for a larger production starting in two or three weeks”.¹⁶

To get to this point the workers had to occupy twice their former factory on Goose Island, the only island in the middle of the Chicago River. The second occupation in February 2012 ended with 90 days to either find a new investor or buy the company. The workers did the latter. But they still had a great deal to accomplish.

“Since 2012, the workers have overcome enormous challenges. First, fighting for the right to be at the table to buy the business, then dismantling the factory and moving across the city to an affordable and appropriate space. Each of these steps the workers did on their own, and in the process they demonstrated the incredible potential that had never been tapped in their prior jobs” (The Working World 2013).

In order to reduce costs the workers did almost everything on their own, taking out the machines they bought from the old factory and installing them and even water pipes in the new place they rented to set up their cooperative. (Cancino 2013). To get to that point the workers of Republic Windows and Doors –mostly Latino immigrant and African American workers– had gone through a long struggle. In 2002 the 350 workers staged a wildcat strike since the union they were forced to join in the plant was not acting in their interest. The labor struggle against low wages, overtime and bad working conditions was not successful. But workers started to organize and in 2004 they affiliated with Local 1110, a branch of the radical rank and file United Electrical, Radio and Machine Workers of America (UE) and got the company to sign a contract with UE (Lydersen 2009). During 2007 and 2008 workers noticed that production was going down and that something was happening.

¹⁵ New Era Windows Cooperative. <http://www.newerawindows.com/>

¹⁶ Armando Robles, author interview, March 2, 2014.

“By July 2008, the company had lost about \$3 million in just six months [...] Machines were disappearing, and workers wondering and asking became only vague answers. [...] Only later would they find out that the equipment was destined for the small town of Red Oak, Iowa, where Richard Gillman’s wife Sharon had purchased a window and door factory”. (Lydersen 2009)

On December 2, 2008 the 250 workers under contract at that time were told by the manager that the plant would close three days later, on December 5. The workers were left not only without jobs and income; their and their families’ health care would end within two weeks. Moreover, they would not get severance pay, nor would they be compensated for their accrued vacation time and sick days. The short time announcement was also against the law. The union filed a complaint against the company for violation of the Worker Adjustment and Retraining Notification Act (WARN), a Federal law which requires employers with 100 or more workers to inform them 60 days in advance regarding mass layoffs. The union claimed the company owed the workers US\$1.5 million in vacation and severance pay and demanded an extension of the workers’ health care (Cancino 2013; Lydersen 2009).

The workers decided to add authority to their claims with a sit-down strike and occupied the factory. They demanded that Bank of America and JP Morgan/Chase, which in the past had granted huge loans to Republic Windows and Doors, should pay the workers. After six days of occupation and three days of hard negotiations with both banks, they agreed to pay the workers, contributing \$1.35 million and \$400,000 respectively – although legally they had no responsibility for the workers. On December 15, 2008, the company filed for bankruptcy. In December 2013 former Republic Windows and Doors CEO Richard Gillman was sentenced to four years in prison for stealing \$500,000 from the company.¹⁷

In February 2009, California-based Serious Energy, specializing in highly energy efficient windows and environmentally friendly building materials, bought Republic Windows and Doors promising to eventually hire back all workers and respect all previously signed union agreements. But it took several months before Serious Energy hired only 15 workers and more than two years later the factory’s occupation peak was 75 workers. By

¹⁷ "Republic Windows ex-CEO gets 4 years in prison". Chicago Tribune. December 05, 2013.

early 2012 the staff was reduced to 38 workers (Slaughter 2012). In the workers' words on the new cooperative's website:

“Unfortunately, Serious Energy's business plan, which only involved the windows factory in a tertiary role, never functioned, and the company had to severely cut back on its operations, including closing the factory. Once again, the workers, despite their profitable work, found themselves being sacrificed in a financial game they did not control.” (New Era Windows Cooperative 2013)

The morning of February 23, 2012 the remaining 38 workers were told by a lawyer hired by Serious Energy that the plant would stop operations and close immediately, consolidating operations elsewhere. Police were already on the site urging the workers to leave. The workers decided in minutes that they would occupy again, without any preparation and lacking everything from sleeping bags to food. But this time they were not alone. Labor and community groups, as well as Occupy Chicago, mobilized to the factory and by the evening 65 people were inside the plant and 100 outside were delivering sleeping bags, pizzas, tacos and drinks (Cancino 2013, Slaughter 2012). The workers demanded that Serious Energy keep the factory working another 90 days while their union would look for a new investor or the workers themselves would buy the plant. Well aware of the workers' history, Serious Energy agreed after 11 hours (Slaughter 2012).

The workers' goal was to raise money and buy the factory to form a worker-controlled cooperative. But Serious Energy wanted to offer the plant to the highest bidder, meaning that the price would not be affordable for the workers. They had to fight for the right to be at the negotiating table to buy their former company. They succeeded through developing public and political pressure and formed a cooperative. Each worker contributed \$1,000 to the cooperative and the New York based non-profit organization, The Working World, which supports worker-controlled cooperatives in Argentina and Nicaragua with credit and technical assistance, provided a \$665,000 credit line. With that the workers bought the equipment and moved it to their new rented facility in the Brighton Park neighborhood on Chicago's Southwest Side. Workers took cooperative management classes and prepared to administer the entire company (The Working World 2013). One year later, the former Republic Windows and Doors workers were producing windows under worker control.

Common challenges for workers' recuperations

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

The general context contemporary recuperated factories have to face is not favorable. The occupations are taking place during a global economic crisis. Starting new productive activities and conquering market shares in a recessive economy is not an easy task. Moreover, the capital backing available for worker-controlled companies is also less than for capitalist enterprises. Usually an occupation and recuperation of a factory takes place after the owner has abandoned factory and workers, either he literally disappeared or he abandoned the workers by firing them between one day and the next. The owners owe the workers unpaid salaries, vacation days and compensations. The owners often start before the closure of the plant to remove machinery, vehicles and raw material. In such a situation, with the perspective of a long struggle without or with little financial support and uncertain outcome the most qualified workers, and often also younger workers, leave the enterprise, hoping for better options or to find a new job. The remaining workers have to acquire additional knowledge in various fields to be able to control not only the production process in a narrow sense, but also to administrate the entire company, with all that implies. But once the workers take over the factory, the former owner suddenly reemerges and wants "his" business back.

Contrary to the common belief that capitalists only care about business no matter how it is done and with whom, worker-controlled businesses face not only capitalism's inherent disadvantages for those following a different logic, but often constant attacks and hostilities by capitalist business and institutions as well as the bourgeois state. Worker-controlled companies that do not bend totally to capitalist functioning are considered a threat because they show that it is possible to work differently. Venezuelan worker-controlled valve factory Inveval, for example, had the experience that valves it

ordered in privately owned foundries were intentionally produced with technical faults (Azzellini 2011).

In Europe, Serbian pharmaceutical industry Jugoremedija in Zrenjanin, the only worker-controlled factory in former Yugoslavia, was forced to declare bankruptcy in April 2013 after six years under workers' control. It is now under receivership administration and there is only a very small chance that the workers will regain control over their company. The workers started to self-administer their company in March 2007 after a hard struggle against privatization. In the following years Jugoremedija produced and sold its products with success. In 2013 the banks cut off credit although Jugoremedija had been paying and the debt was originated partly from a former criminal shareholder. Therefore the company had to declare bankruptcy.¹⁸

Common features of workers' recuperations

The few known existing cases of workers' recuperations described have huge differences. Some factories have modern machinery and are fully functional from the technical point of view. Others have been literally looted by the former owner and have to start from scratch. Some factories have encountered support from local authorities, others from unions. The common features are not a checklist for the authenticity of recuperated factories. The common features described are a repertoire of characteristics that are not necessarily all fulfilled by all recuperated factories. On the other hand, it is also not the case that every single characteristic taken out of context and separated from others still carries the perspective of a different society beyond capitalism. It is the combination of several characteristics that turn the recuperations into laboratories and motors of the desired alternative future.

All recuperation processes and recuperated factories are democratically administered. Decision-making is always based on forms of direct democracy with equality of vote among all participants, be it through councils or assemblies. These direct democratic mechanisms adopted by worker-controlled companies raise important questions, not only about individual enterprises, but about how decisions should be made throughout the

¹⁸ Author's interview with Milenko Sreckovic, February 19, 2014.

whole of society. In doing so, it challenges not only capitalist businesses, but also liberal and representative “democratic” governance.

Another obvious common feature is the occupation. It means to commit an act considered illegal and therefore enter into a conflict with authorities. It is a direct action by the workers themselves. They are not “representatives” nor do they wait for a representation –a union or party– or even the institutions of the state to solve their problem before they spring into action. As Malabarba correctly states: “The action has to be turned upside down: first the initiative, you occupy, and then you get in touch with the institutions that failed more or less consciously” (Malabarba 2013, 149). Massimo Lettiere from Ri-Maflow explains:

“Illegality is a quiet elastic concept. We have thought about it: Laws are made in parliament and usually regulate things that already happen. The only law that has defended the workers, they have passed for the workers, was Law 300 in 1970: The statute of the workers. Why did they make it? Because there was a movement and because the content was already in the metalworkers' national contract, the workers had already won that right, then the law has actually worsened what was in the contract... The law has regulated a state of affairs that was already a fact. If we want there to be someday a law on expropriation that establishes that when a company wants to de-localize production or fails it must be given to workers because they can get going, if we want a law on expropriation, we must first take the factory. You have to start from illegality. Once there is a movement of re-appropriation of the means of production there will be a law for us. We are beginning to build this path”.¹⁹

This is also confirmed by the Latin American experience. In Argentina, Brazil, Uruguay and Venezuela the workers have always been ahead of parties, unions and institutions regarding practical responses. Expropriations, nationalizations, laws, financial and technical support etc. always followed the workers’ initiative and as a reaction to their

¹⁹ Massimo Lettiere, Ri-Maflow, author interview, January 31, 2014.

direct action and struggle.²⁰ The same is true for the productive activity developed by the recuperated work place: strictly following the law, waiting for all legal authorizations and paying taxes would simply mean the activity would never start.

Most factories have to reinvent themselves, often the prior productive activity cannot be carried out in the same way (because the machines have been taken away by the owner, because it was a highly specialized activity with very few customers, whom the workers do not have access to, or because the workers decide it for other reasons. In all better documented cases we find that ecological aspects and questions of sustainability became central, be it an orientation on recycling, as in both Italian factories, the change from industrial glue and solvents to organic cleaners in Vio.Me in Thessaloniki, or the two factories in France switching to organic products and using local and regional raw materials and also distributing their products locally and regionally. The problematic is seen by the workers in a larger context regarding the future of the planet, as well as on a smaller scale related to health threats for workers and surrounding communities. The importance of ecological aspects is part of the new society envisioned by the workers as are the democratic practices.

The struggle of the workers and the occupied or recuperated workplace becomes also a space in which new social relations are developed and practiced: Affect reliability, mutual help, solidarity among the participants and solidarity with others, participation and equality are some characteristics of the new social relations built. New values arise or at least different values than those characterizing the capitalist production process arise. Once the workers decide, for example, safety on the job becomes a priority.

The recuperated factories usually develop a strong connection with the territory. They support the neighborhood and get support from the neighborhood. They interact with different subjectivities present in the territory and develop joint initiatives. Also connections to different social movements and social and political organizations are built and strengthened. All factories mentioned in this chapter have direct relations with social movements and especially the new movements that were part of the global uprising since 2011. This is an evident parallel to Latin America where successful factory recuperations are

²⁰ With the exception of Venezuela where some expropriations, nationalizations and political initiatives came from government institutions. Even so the workers have to fight for real participation in work place administration and for worker' control (Azzellini 2011).

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

The anchorage in the territory helps also to face another important challenge: Changing forms of work and production have radically diminished the overall number of workers with full time contracts, as well as reducing the number of workers in each company. While in the past job and production processes automatically generated cohesion among the workers, today work has a dispersive effect since often workers of the same company work with different contracts and with a different status. Generally more and more workers are pushed into precarious conditions and into self-employment (even if their activity depends totally on one “employer”). How can these workers be organized and what are their means of struggle? This is an important question the left must deal with to achieve victory over capital.

Ri-Maflow and Officine Zero in Italy have built strong ties with the new composition of work by sharing their space with precarious and independent workers. In the described case of Toronto, Canada, we can see a different approach to counteract the dispersive effect of work (see Chapter 3 by Elise Thorburn). Officine Zero declares: “We want to restart from the origins of the workers’ movement by connecting conflict, mutual aid and autonomous production” (Blicero 2013). Territorial organizing has been mentioned and even practiced more often during recent years. In Italy in 1997, Marco Revelli advocated in *The Social Left* (Revelli 1997) for a territorial organizing model based on “houses of labor” as existed at the beginning of industrialization, connecting all workers in one district.

Workers from all recuperated factories name the Latin American, and especially the Argentine factory recuperations, as strong inspiration.²¹ Ri-Maflow adopted the slogan occupy-resist-produce (Malabarba 2013, 146). Republic Windows and Doors and Vio.Me had workers from recuperated factories in Argentina visit before they restarted production. And it was once again Argentinean “development assistance” that encouraged the European meeting of “The economy of the workers” in the Fralib factory near Marseille in early 2014.

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²¹ With the exception of Egypt were it could not be determined with available data.

²² Andrés Ruggeri, militant researcher and director of a special research program at the University of Buenos Aires travelled around Europe and put in touch different actors in the field of recuperated work places.

The workers of the recuperated factories recognize themselves in each other and consider themselves part of a broader movement. The Kouta Steel Factory Workers in Egypt sent a letter in support of the Greek Vio.Me workers when they heard about their struggle (Kouta Steel Factory Workers 2013). Makis Anagnostou from Vio.me declares: “The goal of the Vio.me workers is to create a European and international network with many more factories under worker control”. There is good reason to believe that this goal will become reality.