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# Just Transition and Industrial Relations: the Italian Patterns

Paolo Tomassetti\*

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## Abstract

This article investigates historical and current patterns of the Italian Just Transition process. Drawing on the main findings of the Agreement project, this article discusses the contribution of industrial relations institutions to the decarbonisation of Italian capitalism. The nuances of the Italian case are emphasised, along with the complexities and dilemmas that the transition to a low-carbon economy involves for workers, firms and their representatives. These complexities are the result of broader contradictions of Italian capitalism, which are illustrated by the historical evolution of industrial relations as well as by contemporary Just Transition policies. The article concludes that industrial relations institutions are both part of the problem and part of the solution: by embracing the ideals of Just Transition and sustainable development, they deconstruct the trade-off between labour and the environment but at the same time they reproduce it, legitimising the industrial socio-economic model and the correlated environmental and social disfunctions.

*Keywords:* Labour; Environment; Unions; Just Transition.

## 1. Introduction

Despite the doctrinal emphasis on the need to coordinate employment and environmental legislation, labour and environment are subjected to silos regulation in Italy. The principle of sustainable development is not integrated within Italian labour legislation, nor environmental law has

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implications for the domain of labour law. In contrast, the system of industrial relations stands out as a potential channel of integration and convergence between labour and environmental sustainability. As in other jurisdictions<sup>1</sup>, legal and institutional characteristics of collective bargaining in Italy allow firms, workers' and employers' representatives to negotiate over environmental issues and bringing justice in the transition to a low-carbon economy, avoiding that environmental regulation has negative externalities on jobs and communities affected by decarbonisation. By creating alternatives to the job vs. environment blackmail, industrial relations institutions have the power to deconstruct the trade-off between labour and the environment, empowering workers' capability to react to environmental stress.

Italy has a long-standing tradition of industrial relations: institutions like trade unions, employers' associations and collective bargaining still play a relatively important role in shaping Italy's growth model and labour market regulation. To some extent, Italian industrial relations institutions affect both the creation and redistribution of power and resources from capital to labour, thus influencing the level of decommodification of Polanyi's other fictitious commodities, including land (i.e. natural resources, the environment)<sup>2</sup>. In principle, the three main trade unions confederations – Cgil<sup>3</sup>, Cisl<sup>4</sup> and Uil<sup>5</sup> – fit Hyman's typology of unionism based on class, market, and societal affinities<sup>6</sup>, and their positionalities on the labour/environmental nexus parallel with the taxonomy elaborated by Hampton<sup>7</sup>, who classifies Just Transition approaches into three groups: the *radical*, adopted by class-oriented trade unions; the *neoliberal*, adopted by market-oriented trade unions; the *progressive*, adopted by society-oriented trade unions.

Despite an explicit convergence between labour and environmental sustainability is currently visible in Italian industrial relations, however,

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<sup>1</sup> See the other contributions in this special issue, as well as the comparative analysis on France, Hungary, Italy, The Netherlands, Spain, and the UK in J. Escribano Gutiérrez, P. Tomassetti, *Labour and Environmental Sustainability. Comparative Report*, ADAPT University Press, 2020, p. 18 ff., *passim*.

<sup>2</sup> K. Polanyi, *The Great Transformation. The Political and Economic Origins of Our Time*, Beacon Press, 1944.

<sup>3</sup> Cgil – Confederazione generale italiana dei lavoratori.

<sup>4</sup> Cisl – Confederazione italiana sindacati lavoratori.

<sup>5</sup> Uil – Unione italiana del lavoro.

<sup>6</sup> R. Hyman, *Understanding European trade unionism: Between market, class and society*, Sage, 2001.

<sup>7</sup> P. Hampton, *Workers and Trade Unions for Climate Solidarity*, Routledge, 2015.

views and policies of central-level actors in Italy swing within such theoretical taxonomies, and do not necessarily translate into coherent actions at local level<sup>8</sup>. While Italy has always represented the difficulty of applying analytical categories developed for the purposes of comparison<sup>9</sup>, the historical evolution of industrial relations in this country shades light on the continuity and tension between two contrasting patterns: one in which growth, income and job protection tend to prevail over environmental interests and those of local communities in contiguity with industries; the other in which the social partners seek to advance the (controversial) ideas of Just Transition and sustainable developments in parallel with the protection of jobs and decent work. This article investigates both patterns through the lenses of the Italian industrial relations system. Drawing on the main findings of the Agreement project<sup>10</sup>, this article discusses how, why and to what extent environmental sustainability as a value and normative goal has been embraced by Italian trade unions, employers' associations, firms and public authorities. Fails and successes to deconstruct the trade-off between labour and the environment and to promote the Just Transition to a low-carbon economy will be discussed, along with the theoretical implications for labour law and industrial relations theory.

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<sup>8</sup> I. Regalia, M. Regini, *Between voluntarism and institutionalization: Industrial relations and human resources practices in Italy*, in R. Locke, T. Kochan, M. Piore (eds), *Employment Relations in a Changing World Economy*, MIT Press, 1998, 131–163; M. Regini, *Uncertain Boundaries. The Social and Political Construction of European Economies*, Cambridge University Press, 1995; R. Locke, *Remaking the Italian Economy*, Cornell University Press, 1995.

<sup>9</sup> Taxonomies used in comparative analysis 'are apparently less clear, less generally applicable and less able to yield unequivocal results in Italy than they are in the other countries with which comparisons are made' M. Regini, *Uncertain Boundaries*, cit., 68.

<sup>10</sup> This article summarises the main findings of a research conducted within the project *Agreement – A Green Mentality for Collective Bargaining*, co-funded by the European Commission, DG Employment, Social Affairs and Inclusion, under budget heading VP/2017/004, Improving expertise in the field of industrial relations (Grant Agreement VP/2017/004/0037). For all the methodological aspects of the research, see P. Tomassetti, *Labour and Environmental Sustainability. Italian Report*, ADAPT University Press, 2020, pp. 4, 51 and 61. This article also builds on novel research about the labour and environment nexus which has received funding from the European Union's Horizon 2020 research and innovation programme under the Marie Skłodowska-Curie grant agreement No 101025998.



## 2. Just Transition: a Retrospective

During the *Trente Glorieuses* of Italian capitalism, environmental concerns were rarely a matter for collective bargaining, except for some occupational health and safety issues, originally limited to protecting the so-called ‘internal environment’. Collective action was first of all aimed at bringing democracy to the workplace and making industrial development compatible with decent work. Historically, Italian unions have dealt with environmental sustainability as a short-term problem: only when and where the environmental crisis materialized or was linked to contingent problems of workers and their communities, was collective action taken in defence of the environment. Environmental sustainability was considered as an instrumental goal (the anthropocentric perspective), a means toward accomplishing labour contingent needs.

Following the approval of the Italian Constitution, Italian civil society awareness of the environmental implications of industrial activity has been slow to mature. The idea that health is an indispensable and inalienable right of workers and citizens also developed with some delay in the Italian trade union movement<sup>11</sup>. In the post-World War II reconstruction, growth and industrialization have been political and socio-economic priorities necessary to build up Italy’s democratic order, while the environmental effects of new models of production lagged behind in trade unions’ agenda: they were considered a minimal sacrifice that was worth paying on the ‘altar of industrialization’<sup>12</sup>. When businesses unleashed a strong offensive against workers’ rights, thanks to the wide accessibility of a low-cost and low-skilled workforce flowing from the agricultural exodus, unions responses focused not only on protecting the health of workers inside factories, but on elaborating a collective strategy to address contingent workers’ needs to guarantee their basic livelihood.

Despite growth and institutional stability being the main drivers of collective action during much of the modern (post-World War II) industrial era, a long wave of Just Transition can be identified starting from the late 1960s, as Italian trade unions’ struggles for decent and healthier working environments contributed to making production processes more sustainable for the broader environment and communities far beyond the workplace. All across the country the contiguity between industry and residence triggered environmental protests by local

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<sup>11</sup> L. Montuschi, *Diritto alla salute e organizzazione del lavoro*, Franco Angeli, 1976, p. 11.

<sup>12</sup> *Ivi*, p. 42.

communities and the local unions<sup>13</sup>. Union ‘awakening’ to the environmental and health implications of industrial activities paralleled workers’ rapid political development. The intense bargaining round concerning environmental conditions of work involved thousands of workers in the ‘warm autumn’ of the early 1970s: this was not only a step forward in improving occupational health and safety and overall working conditions, but a remarkable example of collective participation in a different and more sustainable design of work organization.

The Seveso Icmesa disaster of 10 July 1976 was the first episode in Italian history in which environmental risk showed its destructive potential far beyond the workplace: unions’ attitude towards the relationship between the factory, the environment and local communities changed forever. The Seveso drama was a turning point between two moments: from a situation in which workers’ health and safety in the factory became the priority, to one in which the public dimension of health and safety enlarged to a wider and complex scenario wherein the environmental effects of production are suffered by the environment and communities surrounding the industrial plant. The illusion that what happened inside factories would have had no substantial impact on the natural environment and communities demonstrated its fallacy. The environmental disaster of Seveso, and the one that followed at the Anic (Enichem) in Manfredonia (September 26, 1976), contributed to deconstructing not only a popular belief, but also a mindset that characterized the attitude of unions, politicians and the judiciary system.

Both environmental law and labour law began to deal with the issue of sustainability of production processes for workers and the environment. However, instead of converging on a shared and holistic programme for sustainable development, the contradictions between the social and environmental dimensions of sustainability emerged, turning into a dramatic conflict between two cultures that, at that time, appeared hardly reconcilable: the industrialist one, strongly supported by the labour movement, and the environmentalist one. When the economic crisis of the mid-1980s put production costs under pressure, the trade-off between labour and the environment re-emerged, and the bargaining priorities of unions refocused on the primary objective of protecting jobs and plants, detracting from the defence of workers’ rights and control over the environmental impact of production. In this context, conflicts between

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<sup>13</sup> Full references to the historical information of this section are provided in P. Tomassetti, *Labour and Environmental Sustainability. Italian Report*, ADAPT University Press, 2020, p. 19 ff.

individual and collective interests concerning the strategies to tackle the environmental impact of production arose within the labour movement: the Montedison case in the Marghera harbour was emblematic, as here the sensitivity and complaints of individual workers regarding the protection of health and the environment inside and outside the factory, ended up in collision with the interests of production and the ‘controversial position of the confederal unions’.

As welfare and social benefits linked to growth reduced with plant shutdowns and the physical environment deteriorated following the industrial desertification of many areas of the country, unions were again more willing to generalise their voice and collective action for environmental purposes. The ‘rising expectations’ of well-being, employment development and welfare generated by industrial activities was inevitably followed by de-industrialization and a new environmental awareness spread amongst citizens and workers. Environmental disasters and the industrial desertification process not only involved an increase in abandoned areas of high environmental risk, but also the development of a new political and social awareness of the need to preserve the natural environment and local commons, which until then was perceived as optional compared to primary interests linked to income and job protection<sup>14</sup>.

The Chernobyl disaster of 26 April 1986 and the following anti-nuclear referendum also contributed to bringing the so-called ‘external environment’ back on unions’ agenda. For the first time, the collective agreements of the late 1980s and early 1990s introduced measures to prevent environmental risk and promote energy efficiency and conservation. In 1988, Bruno Trentin (the then General Secretary of Cgil) defined a healthy, safe and clean environment as a fundamental right of workers and citizens: this stance represented a turning point, because that right had not been considered as essential for a long time within the union movement.

Despite these positive developments, the area of consensus among Italian social partners on environmental policies remained relatively narrow during the 1990s, with emphasis placed on verified compliance with legislation, the improvement of environmental audits, and increasing use of environmental representatives in plants in some sectors. The social partners did not yet recognize environmental concerns as a priority for

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<sup>14</sup> M. Tiraboschi, *Preventing and Managing Natural and Environmental Disasters: Employment Protection, Welfare and Industrial Relations Systems*, in *E-Journal of International and Comparative Labour Studies*, vol. 4, 2015, n. 3.

negotiation, except for occupational health and safety issues. Since the implementation of Directive 89/391/EEC of 12 June 1989, Italian legislation has promoted a holistic regulatory framework to ensure occupational health and safety that goes beyond the mere protection of the working environment by attributing to business and to all its relevant stakeholders – including workers and trade unions – an active role in defining and implementing a sustainable and regenerative system of production and work organisation<sup>15</sup>. However, responsibility for companies' environmental policy largely remained a firm prerogative and only in exceptional cases were they ready to involve shop floor and trade-union representatives.

### 3. Routes to Just Transition in Contemporary Industrial Relations

The long but weak wave of Just Transition identified in the industrial era of Italian capitalism is nowadays reinforced and made more visible by an explicit integration of labour and environmental protection through collective bargaining and social partnerships. Recently, decarbonisation has been prioritized in social partners' agenda. A movement (institutional change) towards the incorporation of environmental sustainability in industrial relations has been observed in the last two decades, which takes on different forms and patterns. In some sectors, firms and areas, change is incremental, in others it is more discontinuous. It might be cooperative or confrontational, depending on sectors, local variables and structural constraints, more than on unions attitude. Statutory legislation is still unable to reflect this change, but industrial relations institutions are allowed to lead it, irrespective of legal provisions.

Since the early 2000s, many companies in Italy have faced significant restructuring processes to convert carbon fossil and other highly polluting industrial activities into renewable energy productions. While in some cases restructuring has been successful, without major social costs for workers and local communities, in others the energy transition came with significant implications for jobs and industrial relations. Social dialogue with trade unions and local communities was important to balance the different interests involved in the process of decarbonisation, despite an inevitable divide between winners and losers in some cases emerged.

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<sup>15</sup> R. Del Punta, *Tutela della sicurezza sul lavoro e questione ambientale*, in *Diritto delle relazioni industriali*, 1999, n. 2, pp. 151 ff.

More recent developments were driven by three main convergent forces: (i) the escalation of the global environmental crisis and the consequent normative initiatives adopted at both UN and EU levels, including the Paris commitments of 2015<sup>16</sup> and the UN 2030 Agenda<sup>17</sup>, which also prompted international union confederation to take action against climate change and coordinate the efforts of national affiliates towards this goal; (ii) the acceleration of the environmental crisis within certain areas of Italy, the consequent growing awareness by civil society of the effects that climate change can produce on vast areas of the country; (iii) and the parallel process of transition away from coal that many companies have initiated during the last decade in response to national and international normative pressures, such as the 2017 National Energy Strategy (NES), a ten-year plan of the Italian government to anticipate and manage change in the energy system<sup>18</sup>. Beyond these reasons, the illusion of “infinite growth on a finite planet” came to an end as a matter of fact in Italy: as the country’s economy has stagnated since the early 1990s and low growth rates made capital redistribution difficult, the problem of balancing labour and the environment became structural and a long-term sensibility to environmental sustainability emerged among social partners and civil society.

The 2011 policy agreement on energy efficiency and conservation concluded by the union confederations, Cgil, Cisl and Uil, and the employers’ association, Confindustria, was a milestone of the Italian industrial relations strategy underpinning Just Transition<sup>19</sup>. This document was based on the idea that social dialogue and collective bargaining on energy efficiency can bring significant productivity improvements and positive environmental outcomes, allowing the production of the same output by consuming fewer natural and energy resources (so-called “decoupling”). The document called for a renewed industrial policy under which the implementation of EU policies on energy efficiency is not seen as a cost, but as an investment. In line with this approach, an overall consensus of national unions and employers’ confederation is currently observable around the idea that, thanks to technological advancements,

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<sup>16</sup> United Nations, *Paris Agreement*, 2015.

<sup>17</sup> United Nations, *2030 Agenda on Sustainable Development*, 2015.

<sup>18</sup> Ministero dello Sviluppo Economico, Ministero dell’Ambiente, *Strategia Energetica Nazionale 2017*, 2017, adopted through decree 10 November 2017 by the Ministry of Economic Development and the Ministry of the Environment.

<sup>19</sup> Confindustria, Cgil, Cisl, Uil, *Avviso Comune. Efficienza energetica, opportunità di crescita per il Paese*, 21 December 2011.

the circular economy and Industry 4.0<sup>20</sup>, growth can be relaunched and decoupled from environmental degradation.

Far beyond the “technological-fit discourse”<sup>21</sup>, we find examples of multilateral alliances for sustainable development<sup>22</sup>, as well as social dialogue and policy initiatives with clear commitments on Just Transition, how to achieve it and how to make labour and environmental sustainability convergent.

On 26<sup>th</sup> September 2019 Cgil, Cisl and Uil launched a policy document for a model of sustainable development driven by industrial relations<sup>23</sup>. The document emphasises the need for a holistic approach that integrates the three dimensions of sustainability. The document is based on the idea that despite many good practices and technologies exist in the country, there is a lack of systematisation able to detect the overall complexity of social, environmental and economic sustainability. Moreover, sustainable development requires a deep change in personal and organisational behaviours, as well as a consistency between sustainability values, goals and daily practices of workers and firms. Based on these considerations, the policy document sets a number of recommendations for the trade unions structures operating at a sectoral and local level, divided into the following key areas: ecosystems; climate emergency and just transition; sustainable cities; circular economy. The key means of achieving the sustainability goals linked to these policy areas are concertation with public authorities and collective bargaining with employers’ associations and firms. Governmental industrial policies based on the principal of sustainable development and backed by sound incentives to promote the green economy are also seen as necessary.

Drawing on the existing contents of sectoral and firm-level collective agreements, concrete examples of bargaining measures to combine labour and environmental sustainability are provided within the document. Social partnerships on these aspects include the involvement of workers representatives in environmental decisions or the integration of environmental policies within the occupational health and safety realm. Other examples include the negotiation of pay raises linked to green

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<sup>20</sup> F. Seghezzi, M. Tiraboschi, *Italy’s Industry 4.0 Plan: An Analysis from a Labour Law Perspective*, in *E-Journal of International and Comparative Labour Studies*, vol. 7, 2018, n. 1, pp. 1 ss.

<sup>21</sup> N. Räthzel, D. Uzzell, *Trade unions and climate change: The jobs versus environment dilemma*, in *Global Environmental Change*, Vol. 21, 2011, n. 4, pp. 1215-1223.

<sup>22</sup> See for example *Asvis – Associazione Italiana per lo Sviluppo Sostenibile*.

<sup>23</sup> Cgil, Cisl e Uil, *Per un modello di sviluppo sostenibile*, 26 September 2019.

targets, such as energy efficiency and conservation, or the promotion of sustainable forms of workforce mobility and commuting.

Most collective bargaining measures refer to involvement and participation of workers in environmental decisions. Participation of workers in decision making is confirmed as the best road to give workers a voice on firms' decarbonisation strategies and green governance<sup>24</sup>. Environmental representatives are good examples in this direction. Many national collective labour agreements (NCLAs) have autonomously expanded traditional prerogatives of workers' representatives for occupational health and safety to environmental sustainability<sup>25</sup>. These institutions are entitled with information, consultation and training rights concerned with firms' environmental policies and Just Transition strategies.

While NCLAs in core sectors play a key role in establishing and regulating competences, objectives and prerogatives of such institutions, firm-level collective bargaining is the prevalent channel for developing an integrated approach to the regulation of labour and the environment. The input in negotiation varies significantly. In some cases, social dialogue and collective bargaining contribute to shaping company commitment towards environmental goals and energy transition, while in others it is rather the context of corporate social responsibilities (CSR) policies to prompt collective bargaining on green issues. Overall, the focus on environmental sustainability at a firm level tends to be managed unilaterally, within the codes of conduct or CSR charts. Although several codes of conduct of multinational enterprises with operations in Italy explicitly establish norms concerned with the respect of environmental standards and the principle of sustainability, the process of energy transition itself requires cooperation from the workforce and unions: it is therefore more common to find firm-level collective agreements regulating procedural aspects, joint mechanisms and normative measures to anticipate and manage the challenges and the opportunities that the decarbonisation process involves.

The negotiation of re-skilling, redeployment and early retirement plans to deal with job displacement exemplifies the unconventional industrial relations pattern, along with collective bargaining measures to make job

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<sup>24</sup> Cfr. C. Chacartegui, *Workers' Participation and Green Governance*, in *Comparative Labor Law & Policy Journal*, Vol. 40, 2018, n. 1, pp. 89-108.

<sup>25</sup> See for example the NCLAs in the chemical sector, the electricity sector, the energy and oil sector, the wooden sector.

classification systems more respondent to the green jobs labour market<sup>26</sup>. While in many transitional cases plant closures and job losses are inevitable, unions' support in labour market transitions may reduce workers' vulnerability and empower them to react to environmental stress. Effective transitional labour markets governed by mature industrial relations institutions can reduce societal and labour vulnerabilities, increasing workers' independence from coal and other highly intensive industrial activities<sup>27</sup>. Good practices in this regard include a mix of active and passive labour market policies, functional and geographical mobilities for workers involved in Just Transition, as well as the use of joint inter-professional funds to support transitional arrangements and training for green skills.

Beyond classical collective bargaining measures, other initiatives involve public authorities at both national and local level: in some cases, tripartite social dialogue has resulted in public-private partnerships to provide integrated responses to labour and environmental challenges<sup>28</sup>. Of note are also those territorial agreements between social partners and local authorities through which trade unions, employers' associations and other relevant stakeholders seek to enhance general interests linked to the local dimension of sustainable development<sup>29</sup>, especially in the most vulnerable areas<sup>30</sup>.

#### 4. Just Transition Dilemmas

Despite these positive developments, there is still a wide gap between words and deeds on the need to combat global climate change, and

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<sup>26</sup> L. Rustico, M. Tiraboschi, *Employment Prospects in the Green Economy: Myth and Reality*, in *International Journal of Comparative Labour Law and Industrial Relations*, Vol. 26, 2010, n. 4, pp. 369-387.

<sup>27</sup> L. Casano, *Skills and professions for a "Just Transition". Some reflections for legal research*, in *E-Journal of International and Comparative Labour Studies*, Vol. 8, 2019, n. 3, pp. 31-46.

<sup>28</sup> See for example the *Patto per il lavoro e il clima* signed the 15<sup>th</sup> December 2020 between the Emilia-Romagna Region, the regional provinces, the local municipalities and the related universities, along with environmental associations and the regional cross-sectoral social partners organizations.

<sup>29</sup> See for example the *Protocollo per lo sviluppo sostenibile* signed the 18<sup>th</sup> of September 2019 between the Lombardy Region and the regional cross-sectoral social partners organizations.

<sup>30</sup> See for example the cases of Savona and La Spezia: E. Battaglini, *La negozialità territoriale dell'innovazione nell'era digitale. Generatività sociale come nuova prospettiva interpretativa?*, in A. Pepe, S. Leonardi (a cura di), *La contrattazione che cambia*, Annali della Fondazione Di Vittorio, 2019, pp. 199-260.



opinions and reality on Just Transition in Italy are often oceans apart. While everyone agrees that the decarbonisation of the Italian economy should be “just” (nobody argues in favor of an “unjust transition”), the idea of justice is still open to debate and conflict. In many cases, labour and capital interests still prevail over environmental ones and new dimensions of unsustainability emerge in the Just Transition era. Central policies on Just Transition and sustainable development do not necessarily translate into coherent actions at local level, which is the dimension in which transitional dilemmas take place and hit harder. Good policy examples exist, but best practices are sectional and hard to generalise<sup>31</sup>. The same goes for collective bargaining: the coverage of collective agreements dealing with environmental issues is still limited.

Most of the story is about distributional conflicts. Green growth driven by technological innovation emerges as a shared interest that can be mediated within the industrial relations system, increasing the possibility of capital redistribution between labour and the environment and preventing competition between the two. In a market economy, however, “the cake” must be shared and this process generates distributional conflicts between capital, labour and the environment<sup>32</sup>. Things get more complex since “the cake” cannot grow anymore: global warming and climate change demonstrate that the idea of infinite growth on a finite planet is illusory. Climate change is the most evident sign that the industrial social contract is broken. And labour law was a key element of the industrial social contract, which was based on the illusion of infinite growth on a finite planet. With the aim of increasing the share of resources redistributed from capital to labour, labour law and industrial relations in Western countries embraced the capitalistic mantras of productivity and consumption, detracting from the implication of growth on the environment<sup>33</sup>. Global warming and climate change pose challenges not only to labour law, but to the entire social contract within which labour law was socially constructed.

When it comes to the role of labour law and industrial relations in Just Transition, therefore, growth is still the black beast for Italian trade

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<sup>31</sup> See for example the Enel case: S. Rugiero, *Decarbonisation in the Italian energy sector: the role of social dialogue in achieving a just transition – the case of Enel*, in B. Galgóczi (ed), *Towards a just transition: coal, cars and the world of work*, Etui, 2019, pp. 109-133.

<sup>32</sup> P. Tomassetti, *Labor Law and Environmental Sustainability*, in *Comparative Labor Law & Policy Journal*, Vol. 40, 2018, n. 1, pp. 61-86.

<sup>33</sup> A. Schnaiberg, *The environment: From surplus to scarcity*, Oxford University Press, 1980, *passim*.

unions. On the one hand, growth is associated to more industrial activities, pollution and environmental degradation. On the other hand, growth increases capability and freedom of choices: it reduces dependency and subordination. It comes as no surprise that Unjust Transition takes place in depressed areas and sectors with low added value and growth capacity, where monopsonist labour markets preclude any alternative option to plant closure or continuation of industrial activities dangerous to health and the environment.

Latent contradictions between the social and environmental dimensions of sustainability emerge around many transitional hard cases in Italy, turning into a conflict of interests that apparently replicated the contraposition between industrialism and environmentalism<sup>34</sup>. While vertical cleavages materialise between central unions and the government, on the one hand, and local unions and environmental groups on the other, the debate around decarbonisation of the Italian economy tends to create horizontal divisions within the labour front, with some sectoral union federations contesting the continuation of extractive and polluting activities and others advancing more radical solutions.

Hard transitional cases show how difficult it is for both public institutions and social partners to envisage concrete alternatives to the continuation of industrial activity, which are sustainable for both local communities and the environment, without externalizing the social and environmental costs of decarbonisation elsewhere. In a globalised market economy, closing a plant in a country for environmental reasons could imply the outsourcing of production elsewhere, with the externalisation of its social and environmental costs. In these contexts, transitional dilemmas become more accentuated and unions are on the defensive. Even if in principle they refuse the job vs environment blackmail and accept the integration of environmental sustainability in their agendas, they are still dependent on firms' monopsonist power when private investment is necessary to close the transition, especially if public resources are unavailable or insufficient<sup>35</sup>. In these cases, a partnership with firms is the best road to combine environmental and labour protection.

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<sup>34</sup> See for example the Ilva (ArcelorMittal) case: P. Tomassetti, *From Treadmill of Production to Just Transition and Beyond*, in *European Journal of Industrial Relations*, Vol. 26, 2020, n. 4, pp. 439-457 and S. Barca, E. Leonardi, *Working-class ecology and union politics: a conceptual topology*, in *Globalizations*, Vol. 15, 2018, n. 4, pp. 487-503.

<sup>35</sup> For a wider discussion on this issue, see P. Tomassetti, *From Treadmill of Production to Just Transition and Beyond*, cit.

## 5. Concluding Remarks

Beyond a romanticised idea of Just Transition, these complexities reflect the broader contradiction on the role of trade unions in capitalism. Unions are both part of the problem and part of the solution: they deconstruct the trade-off between labour and the environment but at the same time they reproduce it, legitimising the industrial socio-economic model and the correlated environmental and social disfunctions. In 1975 Richard Hyman argued that “the function of collective bargaining is to relieve or suppress symptoms rather than to cure the underlying malady”<sup>36</sup>. To some extent, the same metaphor suits to collective bargaining on Just Transition and sustainable development in Italy.

Industrial capitalism is still the dominant economic framework for Italian industrial relations institutions to envisage and justify their role in the Just Transition. Technological utopianism perpetuates the illusion of “infinite growth on a finite planet”, and this is somehow problematic as for some the “golden rule of capitalism” is simply incompatible with long-term environmental sustainability. Capra and Mattei, for example, observe that it is not the outcome of some law of nature that “many workers today, whether unionized or not, will not fight for higher wages or better working conditions out of fear that their jobs will be moved to another municipality, or even abroad”<sup>37</sup>. Instead, it is the outcome of the “extractive legal setting put in place when the need was to transform the abundant commons into capital that at the time was too scarce. This legal setting is based in a particular conception of property law, based on the assumed freedom to extract resources and exploit labour”<sup>38</sup>. In the same vein, Hampton argues that “the commodification of labour power and the ‘free gifts of nature’ (including the atmosphere) are the parallel process through which capital simultaneously exploits labour while imperilling the atmosphere”<sup>39</sup>.

In analysing Just Transition patterns, the nuances of the Italian case might reflect the fact that unions’ logic of collective action is blurred and much less ideologised than in the past. Institutional differences in Italian industrial relations and diversified union approaches have progressively emerged across and within sectors, within different types of firms and,

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<sup>36</sup> R. Hyman, *Industrial relations. A Marxist introduction*, Macmillan, 1975, p. 98.

<sup>37</sup> F. Capra, U. Mattei, *The Ecology of Law: Toward a Legal System in Tune with Nature and Community*, Berrett-Koehler, 2015, p. 121.

<sup>38</sup> *Ibidem*.

<sup>39</sup> P. Hampton, *Workers and Trade Unions for Climate Solidarity...*, *cit.*, p. 186.

above all, within different industrial contexts. Just Transition dilemmas and structural constraints make these complexities more accentuated and generate pragmatic and adaptive responses in which contextual variables are extremely important.

Overall, the integration of labour and environmental values through collective bargaining and social partnerships is emerging as a process of incremental institutional change in Italy, with an emphasis on balancing power and interests that decarbonisation implies. Institutional alliances, public-private cooperation and bargaining policies for sustainable development are examples of a neo-pluralistic evolution of Italian industrial relations<sup>40</sup>. However, what actually constitutes a constraint to be eliminated or a resource to be utilized is still unclear in contemporary social partners' strategies to promote Just Transition. As for any transitional phase in which a new stable model has not yet emerged, this situation generates pragmatic and adaptive behaviours in which contextual variables are of paramount importance. Because of this, the social realm of Just Transition can be seen as a continuum of interrelated practices that social partners may or may not share according to the specific situation. What Italian social partners produce in order to overcome the trade-off between labour and the environment, is not a coherent and uniform logic of collective action but sets of policies and practices arising out of different attempts to pragmatically face the dilemmas that transitional practices involve depending on costs and structural constraints.

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<sup>40</sup> P. Ackers, *Reframing employment relations: the case for neo-pluralism*, in *Industrial Relations Journal*, 2002, vol. 33, n. 1, pp. 2-19; P. Ackers, A. Wilkinson, *British Industrial Relations Paradigm: A Critical Outline History and Prognosis*, in *The Journal of Industrial Relations*, 2005, vol. 47, n. 4, p. 452; P. Ackers, *Rethinking the employment relationship: a neo-pluralist critique of British industrial relations orthodoxy*, in *The International Journal of Human Resource Management*, 2014, vol. 25, n. 18, pp. 2608-2625.

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